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His 'North Star' Rises

First Canadian engineered plane to enter the highly competitive field of deluxe transport aircraft, Canadair's North Star faces its acid test Tuesday when it goes into regular trans-Atlantic service for TCA. If the big Rolls-powered, Douglas-derived ship lives up to expectations, TCA and Canadair will have gone a long way toward world air prominence. Canadair's U. S.-born president and manager, Hiram Oliver West, 36, has the big task of putting the North Star across in world markets. Behind him are 15 years in the aircraft industry and a record of successes in solving tough problems. This is his second major effort in Canada. Ten years ago he reorganized TCA's maintenance setup, with impressive results. (See story p. 16).

THE NATION'S BUSINESS

Consumer Squeezed And Doesn't Like It

Caught between high taxes and sharply rising prices, consumers are not going to be any more complacent when they learn that company profits have been mounting. A survey on page five of the combined results of 60 Canadian companies shows 1946 earnings almost 30% higher than for 1945.

The same trend is abundantly apparent in the United States where President Earl Bunting of the National Association of Manufacturers bluntly warns: "If the constant upward winding of the spiral continues, you'll see one of the most terrible busts this country ever had."

If that does happen, few indeed can plead lack of warning. Exactly the same thing happened two years after the first world war. Prices went up, quality went down and finally buyers rebelled. Already there are signs that there is a limit as to what the consumer will pay. The first scramble for high priced luxury and durable goods has slackened.

Instead of waiting until organized buyers' resistance compels drastic price cutting, business would be far smarter, and in the end more prosperous, if it voluntarily lowered prices now.

• • •

What About Year From Now?

Researchers at Yale University once kept a pig. The pig was subjected to a series of unexpected events — an empty trough when he expected a meal, flashing lights in the middle of the night, electric shocks and pricks in the snout when he rooted in the earth. He developed a nervous breakdown. This four-legged symbol of modern man to whom unexpected and unpleasant events are the occupational hazard was called Broker.

It isn't only the financial community that constantly keeps asking when "the next depression."

Beardsley Ruml, distinguished economist and board chairman of R. H. Macy & Co. answers in the current Cosmopolitan "If I **had** to say precisely when it will come, I'd say April 15, 1948 shortly after 3 o'clock in the afternoon."

> "When the depression comes, it will come as a spasm after a long period of creeping and wasting paralysis of both consumption and employment. There will be no specific event, no catastrophe, no bolt from the blue. But instead, on this April afternoon in 1948 some prominent name will cry out, "For goodness sakes, this is no recession we're having. It's a depression."

Ruml emphasizes that we **may** not have a stagnation deserving the name depression; that "it **need** not come," that the reason for discussing the matter is not because we have had depressions in the past, but because of what has happened the social conscence about unemployment, etc., in the past decade or two and because of what is happening right now. He says:

> "This is the economic danger spot in the 1946-47 position: The level of consumption, the over-all standard of living in the U. S. is far below the 'full-production' we should be able to get with 'full employment.'
>
> "Until consumption moves up toward the level of production we are all walking on stilts."

During the past year "full employment," says Ruml, has been maintained by four special circumstances: Reconversion which used up labor and materials but for the moment produced nothing for sale, building up of inventories, a big export balance in world trade and GI terminal pay and other government expenditures cleaning up war's aftermath.

Must Boost Consumption

But the force of all these factors in maintaining high employment in a time of inadequate consumption is already in 1947 beginning to weaken, says Ruml. "The future must find the substitutes for the abnormal war and war-conversion props to consumer purchasing power."

Ruml doesn't think much, if anything, will be done during the next 12 months to correct the present situation. Government, filled with election problems, will "wait and see." Business, generally, will be doing the same thing. "There will be no impulse to corrective action except as individual workers and managers alike settle down to getting out an efficient day's work so that costs will come down even though wages and salary rates stay where they are. . . . . More efficiency and lower prices will be forced on businessmen throughout the country."

> "The 'normal' forces of supply and demand . . . will be given their chance in 1947. But 1948 will be a different story. In the early months of the year, people will be feeling that Something **Ought** To Be Done. By April 15 or shortly thereafter, people will be feeling that Something **Has** To Be Done. And Something **Will** Be Done. That's why, if I had to, I'd say that the next depression will come April 15, 1948 and why I'd also say that it will be the shortest depression in history."

Significant and instructive for many in this prognostication of "Nostradamus" Ruml is his basic point that depression is not inevitable and that something will be done about it. He holds here and in other writings that the time has passed when government or business can calmly accept booms and busts as inevitable and put their faith in some vague kind of faith-healing performances on the part of something called "normal forces."

Sober and studious reflection as to what actually is going to happen in another "depression," what action the mass of the electorate will demand of government can be very instructive and will greatly improve the level of much present-day discussion of government polices.

U.K. Fears Geneva Too Late To Help

Determined Not to Surrender Imperial Preference Without Fair Exchange – Dollar Shortage May Force Still Further Austerity in Old Land

By KENNETH R. WILSON

LONDON (By Cable)—There is no more than cautious optimism here as to possibilities of some useful result from forthcoming trade deliberations at Geneva. The British economic high command is increasingly alarmed about this country's desperate dollar plight. Geneva is one straw they must and will clutch; but they fear that its results, however satisfactory, may prove too little and too late to be of immediate help in their impending food and industrial crises.

Present thinking in Britain is primarily conditioned by the critical drift of dollar shortage. Thus economic and fiscal strategy slants probably as much toward prospective trade restrictions which the United Kingdom itself may soon have to impose, as toward the longer-term prospect of an all-round lowering of world trade and tariff barriers.

Just what these restrictions will be, and how soon they may have to be effected is still problematical. Certainly the British will honor, as long as they can in 1947, the present 20% token import quota; but there is no chance of this being increased. What is considered here of far greater importance, is the possibility of some restriction on foodstuffs. This would be considered a desperate step to have to take, but it would be taken, probably, in preference to assumption of further dollar credits. It might conceivably have to be taken well in advance of the actual running out of dollar loans.

Would Lower Barriers

Meanwhile, the British are not neglecting the possibility of an all-round attack on trade barriers. They themselves are committed to this goal by having initialled the United States draft proposals at the time the U. S.-U. K. loan was negotiated. In fact, Britain is the only government outside the United States which has made this formal commitment.

The general line of argument which the Government will take this week at Geneva was set out in a very useful deabte on this subject in the Commons; but cur-

(Continued on page 2, col. 3)

Stress Canadian Dollar is Worth 100 Cents U.S.

OTTAWA (Staff) — Concerned over the exchange losses which Canadian tourists are taking in the United States, the Foreign Exchange Control Board will soon issue a pamphlet stating, in simple terms, that the Canadian dollar is worth one dollar U. S.

It will also point out, for the benefit of U. S. merchants, gasoline station operators, etc., the procedure which can be followed for exchanging Canadian dollars into U. S. funds whether in Canada or the United States.

While it will be designed primarily for the benefit of Canadians intending to visit the U. S. FECB officials admit the pamphlet will be designed to give Americans who handle Canadian funds, the facts.

"It has always been difficult to dispose of Canadian currency in some parts of the United States, chiefly because they are not accustomed to handling it," an official told The Financial Post.

Easter Buying Gives No Hint Recession Near.

Estimate $95 Millions Spent on Apparel; 5% Above 1946

Although there is some question as to whether Mrs. and Miss Canada spent more or less on their Easter finery this year, dollar sales of Canadian retail merchants for the first three months of 1947 show no letup in the post-war buying boom.

If the present pace continues, merchants figure they might add $500 million this year to the estimated total retail sales of $5 billion last year. This would outshine even the rosiest predictions for 1947.

A post-Easter survey by The Financial Post seemed to confirm the trend. March department store sales were up 15% over 1946; Feb. 17% and Jan., 19%. Total retail sales were 13% better in Jan. than a year ago.

Figures aren't available for total sales in Feb. and March, but retailers say they would probably show increases proportionate to department store business. That would mean a three-month advance of about 15% over 1946.

There is some division of opinion over the Easter business. Some merchants report a drop of between 5% and 10%; one said 15%. Others reported increases of the same amount. On the other hand department stores took in 15% more money and reported at least a 6% increase in Easter trade.

Weather Blamed

But all agreed that there was nothing wrong with business. Even those who reported a slight falling off in Easter sales blamed it on the bad weather, not on economic conditions. This theory was confirmed as soon as the weather moderated. Some stores in Toronto reported a post-Easter increase of 25%.

There wasn't even a remote similarity in Easter buying here and in the United States, where one top-flight retail spokesman said: "Women's wear business is lousy. Costume jewellery sales are practically at a standstill. Expensive cosmetics are a drug on the market. And if the kiddies are to wear luxury priced clothing, they'll have to buy it them-

(Continued on page 2, col. 4)

British Conjecture on Canada Wide of the Mark, Editor Finds

LONDON (By Cable)—On the eve of the Geneva Conference much nonsense is appearing in British papers about Canada. One report is that the British have made approaches to Canada about a new line of credit. It can be stated authoritatively that this is not true nor is it likely that any such approach would be made separately to Canada apart from a general eventual approach to the whole dollar question for 1947.

The British are hoping to use their Canadian dollar credit at a smaller rate than they did during 1946, but whether this will be possible remains to be seen. Availability of supplies in Canada will have some bearing on this; also whether or not a further major decision on increased austerity is made.

Another unfounded discussion is taking place as to whether Canada's own peculiar dollar problems are going to drive her into the sterling block. The Financial Times of London devoted a lengthy article to this matter on its editorial page last week and came up with the answer that Canada must look increasingly to British manufacturers and sterling trade as her shortage of U. S. dollars became more acute. Here again the real truth is twisted, for even British authorities realize there is no possibility of that happening. They expect that dollar shortages will drive Canada closer to the United States.

Natural Rubber Tires Still on Remote Horizon

Manufacturers May Average 55% Crude By Year-end; Supply Uncertainty Forces Manufacturers to Continue Voluntary Control

Motorists' hopes that the end of rubber control April 1 would mean a speedy return of natural rubber tires were dashed this week when it was learned that Canadian rubber manufacturers have agreed to continue a voluntary form of allocation control for an indefinite period. The control will be administered through the Rubber Association of Canada.

This action means there is no prospect of an immediate change in the natural rubber content of automobile tires or other goods. The best which manufacturers promise is a gradual increase in percentage of crude as the supply situation eases.

At present, Canadian manufacturers are averaging about 40% natural rubber to 60% synthetic in total production. By the end of the year, they hope to increase the average of natural to 55% over all, according to Reconstruction and Supply Dept. How soon this target can be reached depends on availability of crude rubber. If supplies increase more rapidly than now expected, this percentage might be increased by year's end.

Eastern Horizon Brighter

Some hope of improvement is seen by rubber men in reports that peace is returning to the Dutch East Indies after a lengthy civil war. Signing of a political agreement between the Indonesian Republic and the Dutch Government is the encouraging note here.

Representatives of four nations at a conference in London late last year estimated the 1947 crude rubber supply at only 1.2 million tons and world demand at 1.7 million tons without allowing for stock piles.

Canadian companies have been "on their own" in purchasing crude rubber since Jan. 1, 1947. Most firms report that they have not experienced much difficulty

(Continued on page 2, col. 7)

Test Oleomargarine Ban Under Provincial Right?

OTTAWA (Staff)—Two openings lie before the supporters of oleomargarine, defeated in their Senate fight for legalization of the butter substitute in Canada, legal experts tell The Financial Post. One test is provincial, the other international.

"Protecting" Dairy Industry

The situation with respect to oleomargarine has no parallel in Canada, since it is not banned for any specific reason, such as might apply to a poison. Neither is it banned under the Pure Foods Act, which prohibits the sale of foods falling below minimum specifications.

Concrete evidence that the ban was designed solely for the protection of the dairy industry was presented throughout the course of the Senate debates on the bill, when supporters of the ban made frequent references to the needs of the industry. These were answered by Senator Felix P. Quinn who, presenting figures on dairy industry production, declared: "The demand for these products is increasing all the time; and therefore I maintain the dairy industry has nothing to fear from oleomargarine."

Any possibility of the manufacture of oleomargarine in a creamery is killed by the Dairy Industry Act clause, which states that no person shall have on his premises where any dairy produce is "treated, manipulated, manufacturd or re-worked," any substance which might be used for the adulteration of any such products.

Oleomargarine is banned under a federal bill, the Dairy Industry Act. It is not banned specifically under any provincial acts. If an individual in any one province decided to manufacture oleomargarine for sale only within that province, his defense might be that the Dairy Industry Act, a Dominion bill, did not apply specifically to products manufactured in that province solely for use in the province.

How long such a test might continue, might depend on the manufacturer. Maximum penalty for the first offence is $1,000; for the

(Continued on page 2, col. 7)

Is Dollar Devaluation the Solution To Our Growing Trade Dilemma?

By STAFF WRITER

There will be no confirmation or denial in official Canadian circles of the rampant rumors that another move in dollar revaluation is being planned. For obvious reasons, such a move is Government's most carefully kept secret. In the move of last July, the experience of business, and of a good many Ottawa people who are supposed to be specialists at extracting inside information, demonstrates what a very well kept secret it was.

But there is no secrecy whatever about the continuing serious drain of our U. S. dollar resources nor that decisive action will inevitably be required in the not-distant future.

Whether this will include revaluation of the Canadian dollar is by no means certain. There are many other measures that could be taken, and dollar revaluation by itself would fall short of adequacy. The U. S. dollars that a devaluation such as 10% would "save" us, would be just a drop in the bucket of our needs.

Discount Proves Nothing

But what about the substantial discount on the Canadian dollar on the New York free market?

That has virtually no significance whatsoever, street gossip notwithstanding. The fact that the free market N. Y. price for the Canadian dollar is down around 92 gives no hint whatever as to what Ottawa might do about devaluation, nor about what it should do.

The reason is this: The volume of Canadian dollars that gets into the U. S. free market is insignificant—only about 7%—compared with the volume of dollars in the official market—that is, dollars passing through official channels.

Secondly, the supply of free Canadian dollars in New York is greater than the demand, and just the way dealers in peanuts or potatoes react to an easy, rumor-ridden market, so the N. Y. dollar dealers mark down their taking price.

If the Canadian authorities were the least bit concerned about the declining free market price, they could clean it up at relatively small expense and force the free market price for Canadian dollars back to 100 or beyond. In other words, the free market price isn't important under present circumstances.

London's Financial Times this week declares, "It would be a mistake to deduce from recent developments that all (Canada and the U. S.) have to do to restore equilibrium in their overseas payments is to reverse the exchange adjustments of last year."

Geneva May Help Decide

Whether corrective action will be taken well in advance of the time when our U. S. dollar pool hits zero, or postponed until afterward, only top officialdom and the fates controlling the outcome of assorted international problems can now know—and neither tells.

The Geneva Trade Conference, for instance, may have most important effects on future action, and on the degree of our need for action. The success or lack of it in 'getting the World Bank and International Monetary Fund into effective operation, is another vital factor in Canada's exchange outlook. Future United States policy with respect to foreign loans, trade, tariffs, etc. also hangs a big question mark over the heads of Canadian policy-makers.

Our present supply of U. S. dollars is a well-guarded secret. In 1945 our U. S. dollar balances amounted to $1,500 millions. A year later they were down to $1,200 millions and that by March of this year indications were that the supply might be down to about $600 millions.

On the year 1945, our trade balance with the United States was minus $496 millions, excluding gold and other adjustment items like tourist expenditures, interest and dividend payments, freight, shipping and miscellaneous items like magazine subscription payments, movie royalties, etc.

Average '46 monthly deficit in U. S. trade, excluding the adjustment items, was $41½ millions. Our January 1947 trade deficit was $56 millions, and traditionally, January is a low month.

Too often overlooked in this matter are two vital facts: First, it is unlikely that any single tool would be used on the job of restoring monetary "equilibrium."

(Continued on page 2, col. 5)

The Pace of Business

Big Easter business is reported by department stores. After-Easter survey by The Financial Post indicates 15% gain for department stores over March, 1946. Possibilities seen of $500 millions addition to last year's estimated $5 billions retail sales.

Farm cash income in 1946 estimated at $1,722 millions, up 2.6%. But 5% less than in record 1944 year.

Stock market drop in both industrial and mine issues hit early this week. Golds off two points on day. Rumors of impending U. S. Steel strike, an actual U. S. telephone strike and general apathy given as causes of Tuesday's sharp N. Y. drop which spread to Toronto, led by interlisteds.

Seventh monthly increase in succession reported for daily average use of primary electric power. Increase over previous month, 0.6%; over year before, 18%.

Higher exports of merchandise—$6.4 millions daily latest month vs. $5.5 millions year ago; chief gains, wood products (up 49.6%), and non-ferrous metals and products (up 47.6%).

Exports to U. S. continued upward trend, totalling $69.3 millions latest month, up 20% over 1946.

Construction contract awards at $38.3 millions in March were down 28% from month before, 34% from year before. This is first time since 1943 that Feb.-Mar. movement has been headed that way. Housing continued recent decline; factories began to share.

Country store sales show 1% increase over previous month, although it was three days shorter, and 8% increase over same 1946 month.

Air freight loads have reached unprecedented monthly figure of 2,125,000 lb.; 65.9% over 1946 month, 45.9% over preceding month. Rise of 37.4% in this employment.

World food situation is some better because Spain, Turkey, Central Russia increased output in 1946. But floods in United Kingdom and famine in northwestern Europe mean continued heavy demands on Canada.

Increase in bank deposits by over $110 millions to $5,732 millions reported latest month up some $650 millions from year ago and approaching Oct. 31, 1946, high of $5,792 millions. Foreign deposits also higher latest month.

Sharply improved earnings are reported by the Canadian Pacific Railway—an increase of $1,397,000 or 17.7% (over 1946) for Mar. 21 to Mar. 31 against $149,000 or 2.5% increase previous period and $292,000 decrease first week in March.

14% higher life sales, on ordinary policies—for Canada and Newfoundland—reported latest month against 1946 (Canadian Life Insurance Officers Association).

Further Decontrol Unlikely Ere June

Keep Ceilings on Many Commodities, As Inflation Curb – Ottawa Eager to Wash Hands of Both Controls and Subsidies

By C. C. MILNE

OTTAWA (Staff) — While official Ottawa studies the economic and political reactions to the decontrol moves of the last few weeks, indications are that there will be no further major step before June 1 affecting the 2,000 or more individual items still under price control. Major factors continuing to affect these items are: (1) Short supply, either domestic or international; (2) seasonal element; (3) decontrol of an individual item might create a "pebble in a pool" reaction, forcing higher prices for related items.

Ensure Farmers of Benefit

The situation with regard to canned goods and farm products is possibly typical of the 60-day "breathing spell" on decontrol.

Farmers and canners have been advised that there is to be no ceiling price on the 1947 pack. This move was taken some time ago, in order that canneries might make their commitments with farmers. That pack will start to go into the canneries in July, when the pea crop is normally canned; followed by wax beans in August, and tomatoes in the last 10 days of August and early September. Since the distributive trades now hold the 1946 pack, it will remain under ceilings until the 1947 pack goes on the market, in order that the farmer, as primary producer, will not lose any benefit which might derive from a price increase.

The seasonal element is indicated by the continued control of butter, cheese, ice cream and the 1946 pack of fresh apples. It is not likely that the controls on such items will be removed until production comes closer to meeting the demand. Removal of the ceiling on coal, coke and briquettes at the end of the heating season, April 16, is another "seasonal" example.

Agricultural machinery, implements, equipment and supplies can be expected to remain under control until (a) full production catches up with the backlog of orders, and (b) spring farm operations are under way across Canada.

Avoid "Pebble in Pool"

The "pebble in the pool" reaction which the Government has been seeking to avoid is illustrated by two examples. When maple syrup was decontrolled, a Prices Board official told The Post, the price rise was expected, but it affected only maple syrup and one or two "luxury" products. If basic fats and oils or cotton were decontrolled, the resultant price rise would spread through many items ordinarily used in the every-day Canadian standard of living.

To a large extent, decontrol of cotton may depend on U. S. prices for the raw material. When WPTB on Feb. 1 jumped the Canadian price from 15½c. to 24½c., Oct.-Dec. futures in the U. S. were 26c. They are now 29-29½c. Since Ottawa is as eager to get out of subsidies as it is to leave the price control field, it can be anticipated that when the U. S. cotton price firms within a "reasonable range" of the present Canadian ceiling, price controls and subsidies will be removed.

Inside News

U.K. Likes Canadian

Canada's ostentation-shunning High Commissioner Norman Robertson, is proving highly popular in England. Little prospect is seen there, of lower taxes; and clothing coupons have already been stretched two extra months. Kenneth R. Wilson, staff writer of The Financial Post, records his impressions of the Old Land (p. 3).

Big Market in China

Canada's export trade with China is approximately $46 millions, or five times that of an average pre-war year; is likely to go higher when conditions in the Orient are stabilized. But experts state that Canadian industries must have trade representatives on the spot to compete against those of other nations (p. 13).

Prime Minister Bevin?

Winter has loosened its grip on England, but has brought devastating floods in its wake. Ernest Bevin is seeking a change, and is picked by some observers to succeed Attlee as Prime Minister. The Tories have been urged to widen their ranks before the next election. London Calling, by Adelphi (p. 14).

How Cheques Bounce

There is only one sure way to avoid being swindled by a "rubber" cheque; don't cash a cheque for anyone. That is the philosophy of a reformed confidence man, who tells The Financial Post of the technique which he employed for years, in swindling hotel clerks, merchants and others. He does so in the hope that his story will be a warning to businessmen, and also to men who might plan to follow in his footsteps (p. 13).

B.C. Split Averted

Three provincial legislatures have ended their 1947 sessions, and a fourth (Ontario) is marking time, awaiting the federal budget. British Columbia's contentious labor bill has become law, without causing a cabinet split, as feared earlier. Provincial Roundup (p. 7).

Rainbow Fountain Pen

A new fountain pen writes in three colors, blue, fuchsia or emerald. Powder blown into inner tubes is said to reduce tire static in car radios. A four-seater car said capable of 60 miles to the gallon is being manufactured in Britain. What's New in Business p. 10).

Penicillin For Cattle

A record cargo of Canadian cattle and hogs, sailing for China this week, will be attended by two veterinarians, and will carry with it, more than 14 million units of penicillin to safeguard the health of the animals (p. 15).

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'Hiring at Gate' System Revived

OTTAWA (Staff) — Employment "at the gate" has returned to Canadian business, and particularly construction trades and those requiring large percentages of casual labor.

That is the substance of two Department of Labor moves, one effective April 1, the other to be announced soon.

Substituted for the elaborate triplicate employment-discharge form done away with this month will be regulations requiring only that:

Employers advise National Employment Service of job vacancies unfilled 24 hours after the vacancy occurs;

Employers report twice a year, June 30 and Dec. 31, on the number of employees hired and fired, by months.

Casual labor will be exempted from the 24-hour notice ruling, a Labor Department official told The Financial Post: "Industry can now hire at the gate; our chief interest in the 24-hour notice is so that we can send applicants where there may be vacancies, and also to keep in touch with situations to determine if a definite trend toward unemployment is developing in any area."

The triplicate form held the key to the seven-day discharge or quitting notice. Control of this minimum notice of separation, binding on employer and worker, now returns to the provinces.

A Windbreaker has so many uses

Now that it's the season for sunny weather a windbreaker is a mighty handy thing to have Think of the many uses you'll have for it . . . spading up the garden, working 'round the summer cottage, and, later on, for fishing, and other summer sports. And EATON'S Men's Clothing Dept., is the place to go for windbreakers to meet your every requirement . . . fine, lightweight cotton gabardines and poplins, lined and unlined, styled along better sport and leisure lines . . . as well as handsome, two-tone surcoats, extra-length windbreakers made expressly for comfortable leisure wear . . . and many others. Take a moment to drop in and see them . . . we feel sure you'll find one to your liking at

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U.K. Fears Geneva Too Late To Help

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rent and impending shortages and calamities are forcing the pace in many other directions. Temporarily, the fuel crisis has taken second place to food and flood stringencies. Manpower at the mines is seemingly showing a small increase, and the psychological effect of the fuel breakdown will undoubtedly serve as an important stimulus to production. Even the coal miners seem to respond to this sort of stimulus; but the country as a whole has scarcely begun to realize how much ground has already been lost.

One very knowledgeable person told me he thought that at least two full months of industrial production had been sacrificed due to the fuel shortage. That means that at best, Britain will only work a 10-month year in 1947. He attributed the shortage in large measure to an unwise speed-up in 1946.

Stockpiles at Lowest

This speed-up brought superficially good results at the time, but it was possible only through substantial and dangerous drawings on the country's stockpiled reserves. These reserves are currently at a low point in history. They declined quite apart from the unprecedentedly bad weather. Even on Feb. 28 they were reported as only five to seven million tons against about 20 million tons in 1939, an average which was maintained or bettered throughout the entire war period.

One immediate public evidence of the involuntary slowdown due to fuel shortage has been the depreciation in clothing coupons announced last week. The slim points ration, due to last six months, must now last eight. There will be no more clothing points for Britishers until November, and in the trade there is some doubt whether even these points can be honored.

This is not surprising when you realize that many textile plants are still running at only one third their basic fuel allowance. Just last week certain Yorkshire plants were allowed a special allotment to bring their fuel up to 50% of basic.

Then there is the food problem. As yet the real crisis point has not been reached, despite widespread discussion about the calamitous floods. True, the floods will be sad and indeed disastrous to hundreds of individual farmers. They may also defer the period when British livestock population is once more on the mend. But the loss in wheat, for example, is estimated at only about 1% of Britain's total consumption.

The real crisis may not come until 1947 crop prospects can be more nearly seen. It may be a physical shortage, due to a general worsening of the world food picture. It may more likely come if Britain is forced to tighten her belt further, by reason of shortage of dollars. That is a subject of very highest concern in official quarters here.

In respect of Geneva, Britain has made it clear (1) that she seeks wider markets than those which the Commonwealth and Empire can provide (2) that the advantages of freer trade in those markets (especially hard currency markets) cannot be obtained without the making of some contribution.

How important this is to Britain was indicated by Sir Stafford Cripps, president of the Board of Trade. He pointed out that Britain's pre-war share of total world trade in manufactured goods was 20%, but to reach the U. K. objective of 175% of pre-war exports in a static market would mean that Britain would now have to obtain 35% of the world commerce in manufactured goods. Since that is an obviously ridiculous impossibility it is only if there is an expanding world trade generally that the United Kingdom can hope to attain its export target. The export debate was closed by this important comment, made by Harold Wilson, newly named secretary for overseas trade.

U. K. Still Hopeful

These international trade organization proposals are not of themselves a solution to Britain's export problems, either short term or long term; but they do provide the conditions on which a solution can be found. That solution in the long term can only come by development of efficiency in British industry and of lower costs of production and by new blood and new ideas in British industry and exports.

If we are to look at the alternative—an alternative based purely on trade wars with a restricted volume of world trade—of British industry sheltering behind high tariffs and therefore only able to go on from year to year as it was before the war, without modernizing itself, re-equipping itself, sheltering all the time its inefficiency behind the trade barriers erected, there is no hope for British export trade in the modern world.

That is not the spirit in which we go to Geneva. We are hopeful that something will come out of this; hopeful that we are going to establish an organization which will make possible a great increase in world trade; and while we are quite prepared to discuss with all countries any item they want to discuss, we certainly shall not give up any item of Imperial preference without getting something really worth while in exchange.

Pre-war Tariffs Return Also Antidump Duties

OTTAWA (Staff) — The Canadian government has quietly cleared its tariff decks in preparation for any action which may be necessary following the International Trade Conference at Geneva.

No fanfare accompanied the move, but some repercussions may be expected when the full impact reaches importers who have been enjoying special tariffs under the War Measures Act.

The deck-clearing action came when, with the end of the War Measures Act, April 1, the Government cancelled 25 war-inspired tariff changes effected by order-in-council. The items affected now revert to their higher pre-war tariff status. In most cases they had been admitted free under the order-in-council. Tariffs will now range from five to 15%, or, as in the case of soda ash, 15 cents per 100 pounds.

Simultaneously Canada has restored dumping duties suspended during the war. Under this duty goods sold to Canadian importers at below their home market price are valued for duty purposes on home market value.

Goods shipped under the British preference must be shipped direct to Canadian ports. During the war, because of shipping conditions, goods were accepted through U. S. ports.

Re-imposition of both the dumping duties and tariffs is not expected to affect seriously U. S. exports to Canada; but the dumping duties are a guard against over-production across the border and consequent flow of surplus goods to this side.

Look For It Here

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Easter Buying Gives No Hint

(Continued from page 1)

selves, because their mothers won't."

The closest Canadian retailers of women's and children's wear would come to this was to agree that the customer is becoming more "choosy." If milady can't find what she wants, she'll postpone her purchase or "shop around." This was especially true this Easter, retailers say.

Last year's Easter cost about $90 millions for feminine toggery. Of this, $10.8 millions were spent in department stores. On the basis of a 5% increase, this would give department stores a 1947 Easter business of $11.3 millions.

To this must be added a 15% increase in men's wear this year. That would bring the total to around $14.5 millions. This, added to the sales of independent stores, would conservatively place this year's Easter parade bill near $95 millions.

In view of the general feeling at the beginning of the year that retail sales of clothing couldn't possibly exceed 1946, this increase was more than gratifying. Most merchants considered 1946 an abnormal year, due to purchases by discharged veterans, both men and women. Few expected 1947 even to come close to it.

Instead of a decrease, women's and children's wear shops experienced the largest increase of any trade during January. Sales were up 26% above the same month in 1946. Sales of footwear advanced 22%. No figures are available for Feb. and Mar. but The Post survey indicates that the margin of increase corresponds closely to the average monthly gain in trading during 1946.

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government.

American Can Co. — F. J. Brennan, Atlantic district sales manager (Montreal).

Clarke Auto Supply Ltd. (Vancouver) — Geo. Hackett, president and general manager.

Canada Cement Co. — W. O. Bovard (Montreal) vice-president of sales.

Canadian Pacific Railway Co.—Percy T. Cole, public relations officer, Chicago; W. J. Berry, public relations officer, Toronto.

Canadian Pacific Steamships — D. K. Buik, assistant to managing director.

Canadian Passenger Association—Cedric J. Campbell, vice-chairman.

Dominion Government — James Alexander Strong, ambassador to Peru.

Fleet Manufacturing & Aircraft Ltd. (Fort Erie) — G. W. Coleman, sales manager.

Gutta Percha & Rubber Ltd. — C. S. Band, chairman of board; J. Ross Belton, president and general manager; Glyn Osler, a director.

Northern Alberta District Court —S. C. S. Kerr (Edmonton) a judge.

Roxana Oils Ltd. (Calgary) — J. M. Gross, a director.

Sherwin-Williams Co. of Canada —H. J. Moffatt, sales manager, prairie division (Winnipeg); W. M. Kerr, manager, linseed oil dept.

Scott-Bathgate Co. — S. H. Knox, manager, British Columbia division.

Saskatchewan Government — J. L. Salterio, deputy attorney-general; Chas. W. Wood, poultry commissioner.

Union Steamships Ltd. — Capt. John Muir, general superintendent; Capt. E. W. Suffield, marine superintendent.

Wartime Prices & Trade Board —W. T. Wilson, deputy chairman.

Devaluation Won't Solve Canada's Dollar Problem

(Continued from page 1)

Second, nearly all our possible courses of action depend for their effectiveness to a very considerable degree on U. S. co-operation or at least on the absence of U. S. retaliation.

Here are some of the monetary and economic manoeuvres that could be used to assist in meeting our U. S. dollar poverty.

1. A New Hyde Park

A peacetime Hyde Park agreement with the U. S. whereby we would get U. S. dollars for more of our exports would be an immensely powerful weapon. Officialdom is mum on this probability and not unnaturally so, while the Geneva trade talks are in the offing. But many informed but unofficial observers say they expect something of this kind is likely.

The supply of U. S. dollars we would probably reap through such a deal would be very large, and painless for both countries, compared to the relatively small volume of dollars that would be produced by any moderate and not-too-painful application of other procedures.

2. Sell Bonds in U. S.

Selling Canadian bonds in the U. S. market. This, of course, was a historic procedure for adjusting our dollar balance. As with all other possible measures, it has some painful features. Certainly it would be reversal of our recent policy of keeping our national debt at home, owing the money to ourselves, paying the interest to our own people. This could at best be only a flea-bite expedient.

3. Cut Our U. S. Imports

Another possible tool would be more restriction on Canada's imports from the United States, on Canadian travel to and spending in the United States, and tighter control on capital movements.

Theoretically, of course, this is a weapon of enormous power. But any severe application of it would be extremely upsetting to our normal economy and to our lives. Effectiveness of even a mild tightening of our present imports and other trans-border business would, of course, depend considerably on the degree of public acceptance for the restrictions, and the very limited power of officialdom to enforce them. Everyone recognizes that it would be much harder to win public acceptance for such measures in peacetime than it was during war. And, of course, any action along this line would be contrary to the creed we have been preaching to the rest of the world and would depend for its effectiveness very largely on U. S. willingness to cooperate, and not to take retaliatory measures.

4. Sell For Cash

Another weapon that could theoretically be used to end our U. S. dollar poverty would be to reduce Canadian exports or stop them to buyers who would not pay us cash in U. S. dollars.

Here, of course, the medicine is probably just as bad, if not worse, than the disease. Canadian prosperity and employment depend on high volume exports abroad and Britain is our best market. To cut off exports to Britain would sentence thousands of our people to unemployment and would lose us foreign markets. Our foreign credits, to Britain and other countries, have been long-term investments in world recovery and in future welfare of our export trade. Reversal of our policy on foreign credits would be a signal that we had thrown in the sponge. Since we are committed for about $1,000 millions of foreign credits yet to be taken up, any relief on our U. S. dollar position from this source would in any case be felt only some considerable time in the future. There is virtually no likelihood that we shall seek relief for our dollar probem this way.

5. More U. K. Imports

Can we expect that Britain will change her present export policy and send us more of her goods?

The Post's writer, K. R. Wilson, cables from London that the answer is no; that, in fact, we are likely to get fewer British goods in Canada in coming months. British officialdom recognizes that this inevitably drives us into greater dependence on the United States, both in our immediate monetary problem and for the future, but, says Wilson, Britain feels that on balance, her present policy of emphasizing export sales to sterling areas and living off her Canadian and U. S. credits, is in her best interests.

6. Export More Gold

Can we export more gold as a means of solving our U. S. dollar supply?

Our gold production this year may be around $110 millions, and that amount, of course, can't turn the whole trick. Even devaluation would not coax out enough more of the yellow metal to solve the problem. As for the always fond Canadian hope that the U. S. is on the verge of substantially raising the price for gold, none of the signs points to any immediate change. Politically, such a move would be extremely difficult to "sell" to the American people. Economically, it would pour oil on the already dangerous U. S. inflation fires.

7. Dollar Revaluation

And there remains the weapon of dollar revaluation. This of course, is eagerly hoped for and much talked about by the gold mining industry. As already indicated, a whopping devaluation —far beyond the traditional 10% —would be needed to meet the situation alone. The gold and newsprint industries would chiefly benefit.

Despite our U. S. dollar dilemma, officialdom still holds that the parity move has been fully justified, that our dollar crisis was foreseen. The coming dollar dilemma was vigorously emphasized by Bank of Canada Governor Towers in testimony before a Senate banking committee away back in August of last year. He told Senators: "We see a reduction of more than $600 millions in our U. S. holdings over the course of the next two years (i.e. up to around Aug., 1948). Our holdings of gold and U. S. dollars might be cut in half."

Taken when it was, the parity move is widely accepted among informed observers as sound. It gave us a considerable cushion against soaring U. S. price levels at a very critical period in our own price-wage situation and at a critical point in our decontrol program.

Our U. S. imports have been running very high, hence making a big drain on our dollar supply. But a big proportion of these imports are the result of Canada's immense demand for consumer goods. They are speeding our reconversion and our return to more normal spending habits. Parity, of course, has made the cost of this "emergency" operation cheaper.

BORROWING CAN BE GOOD BUSINESS . . .

Do you need Money for Taxes?

If you are short of cash to pay your income or other taxes, a B of M personal loan may be the answer to your need.

See the manager or accountant of your neighbourhood B of M branch. You will like their helpful approach to your problem.

PERSONAL LOANS
for every useful purpose

27¢ a month for a $100 loan
...repayable in 12 monthly instalments
(equal to 6% interest per annum)
LARGER LOANS AT PROPORTIONATE COST

"MY BANK"

BANK OF MONTREAL
B of M

Natural Rubber Tires Still on Remote Horizon

(Continued from page 1)

to date in obtaining it at the open market price.

Up until Apr. 1, however, they had only one U. S. buyer—the government agency—to contend with; and it was buying at a fixed price. Now the individual U. S. companies will each be in the market.

Price Trend Uncertain

To date, this has caused only a slight firming of the crude rubber price in Singapore, it is stated. What will happen to the price as U. S. buyers become more active, remains to be seen. U. S. opinion is divided on the future price trend.

Trading in futures the New York Commodity Exchange will not start until May 1. At that time trading will be in four grades of rubber with the first delivery month Sept., 1947, and the last, July, 1948.

Although government control of the use of crude rubber in Canada was removed on April 1, there has been no change in the natural rubber content of tires since that made last December, rubber manufacturers tell The Post. At that time, Ottawa permitted use of crude in ordinary 4-ply passenger tires to jump from 13% to 23% of content. Six-ply tires in the popular size could use 33%. Larger size passenger tires, since Dec., have been using as much as two-thirds crude. Large bus and truck tires are made almost entirely of crude rubber.

Test Oleomargarine Ban Under Provincial Rights

(Continued from page 1)

second, $2,000; plus the cost of the prosecution, with the option of six months in jail for non-payment of fine. In the case of a third offence, maximum penalty is six months' imprisonment, without the option of a fine.

Invoke Geneva Charter?

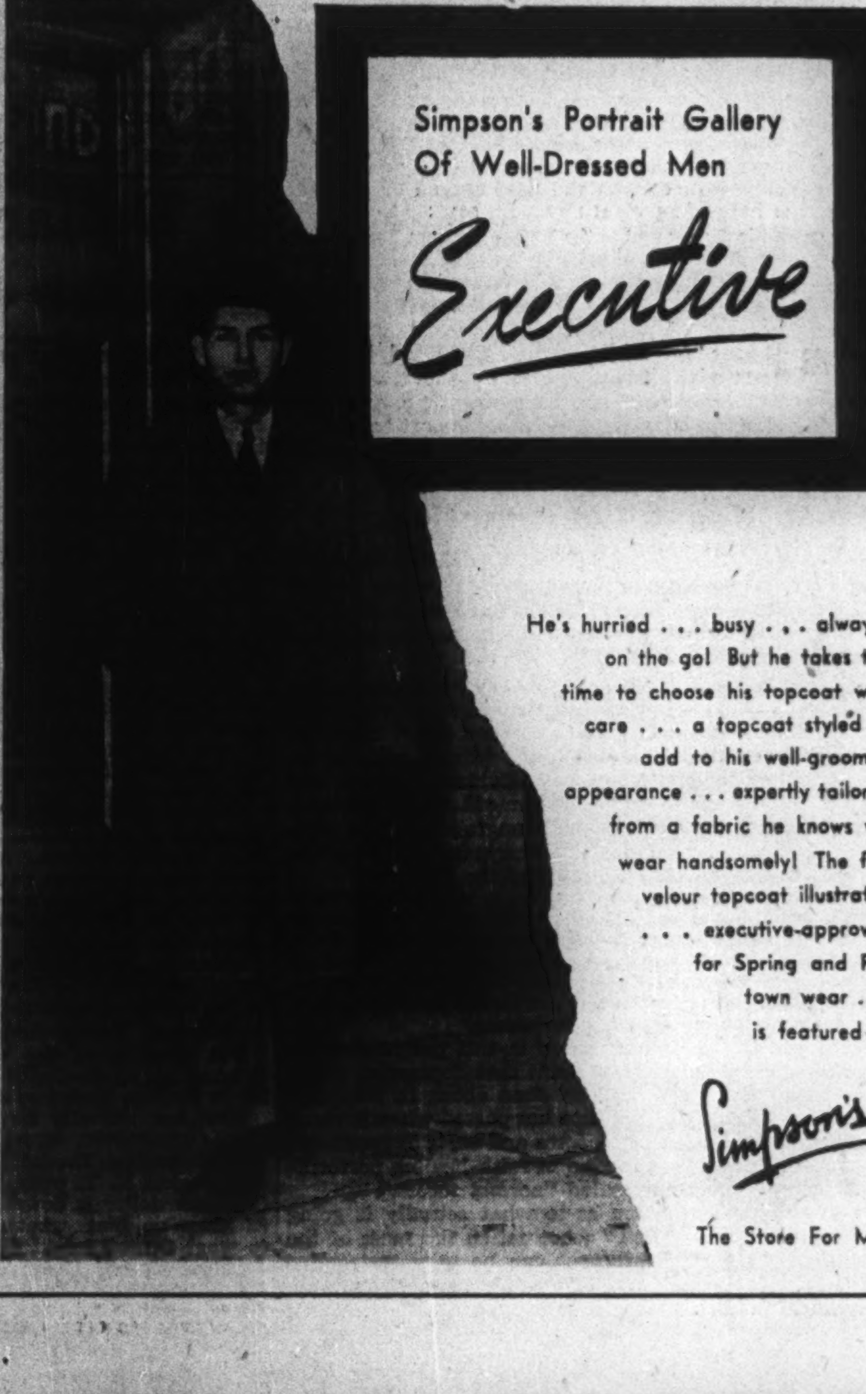
Second possibility lies over the international trade route. Canada is the only country which bars oleomargarine. The proposed charter for the world trade conference meetings at Geneva states; "Except as otherwise provided elsewhere in this chapter, no prohibition or restriction other than duties, taxes or other charges, whether made effective through quotas, licenses or other measures, shall be imposed or maintained by any member country on the importation of any product of any other member country, or on the exportation, or sale for export, of any product of any other member country."

The export question enters the Canadian picture in two ways. Canada imports from the International Food Emergency Council 78,000 tons of fats and oils, under the world quota arrangement. As part of the arrangement, Canada exports 4,700 tons to Newfoundland in exchange for fish oil. But Newfoundland uses some of the oils received from Canada in the manufacture of oleomargarine. If the world charter is adopted, the legal points in this deal would come under close scrutiny.

At the same time, Canada is processing, from what was formerly grain waste, oils which are used in the manufacture of oleomargarine in the United States. One installation is at Fort William, where an oil extraction plant has been installed. This is taking from mustard seeds "cleaned out" of grain at Lakehead elevators oil which is shipped to Minneapolis for an oleomargarine plant there.

93 'New Industries' Added Since V-E Day

MONTREAL—Between V-E Day, May, 1945, and Jan. 31, 1947 (20 months), 93 new industries were established in the Montreal area. In the same period, 22 industries established earlier have expanded production. So reports Montreal's civic Economic and Tourist Development Bureau. Its name, incidentally, may be shortened. Suggested: Montreal Industrial and Tourist Bureau.



He's hurried . . . busy . . . always on the go! But he takes the time to choose his topcoat with care . . . a topcoat styled to add to his well-groomed appearance . . . expertly tailored from a fabric he knows will wear handsomely! The fine velour topcoat illustrated . . . executive-approved for Spring and Fall town wear . . . is featured at

Simpson's

The Store For Men

Labor Roundup

B.C. Loggers Open New Wage Drive Will '46 Strike History Repeat Itself?

Threats of a strike are ringing out again in the woods of British Columbia and echoing disturbingly across the nation. The leftist International Woodworkers of America (CIO-CCL) have announced they will call a stoppage again this summer if necessary to win a 20c. an hour wage increase.

Last year about this time, they opened their 1946 wage campaign, struck for 25c., got 15c. They crippled the B. C. logging industry and industries dependent upon it. But what's more significant: the strike touched off the greatest industrial conflagration this country has ever seen. In view of the growing signs of unrest in labor unions, a lot of people are wondering if history is going to repeat itself.

If the B. C. Woodworkers quit, is Canada in for another weakening dose of strikes like those which almost knocked her out in 1946? Because that's the way it happened last year, it doesn't necessarily follow that 1947 will be like it.

But the rumblings of union leaders over decontrol and increased cost-of-living sound ominously like it. However, it should always be kept in mind that unions don't always do what they say they're going to do. Strike threats are a potent union weapon. Undoubtedly much of the current rough talk is bluster. But despite this, there is no doubt there has been a significant change in the attitude of labor leaders in the last few weeks.

After last year's strikes, some labor leaders were ready to admit that perhaps rising labor costs were pushing prices up; perhaps the vicious circle could be broken by passing up wage demands in 1947. At least one CIO leader came out and said as much publicly and promptly got his ears pinned back for it by his colleagues.

Now with controls coming off rapidly, rents going up, and prices generally rising, labor is talking about new wage campaigns. And in view of the favorable profit positions being reported almost daily by industry, it won't be as hard to sell strike action to workers as is was at the beginning of the year.

The signs are evident on all sides:.

Pat Conroy, secretary-treasurer, Canadian Congress of Labor: "The CCL has no alternative but to make it known to the Government, to employers and to the people of Canada that the increases in prices and in the cost of living . . . are likely to lead to further wage demands . . . and to industrial unrest which the Congress had hoped it would be possible to avoid."

Fred Dowling, Canadian director of the United Packinghouse Workers (CIO-CCL): "It is now certain that labor will have to make new wage demands. Representatives of all locals will meet May 8 when wage increases and price decontrol will be the main topics under discussion. We can see bad times ahead for labor and know that action on price increases will have to be taken."

C. H. Millard, national director of the United Steelworkers (CIO-CCL): "The Government failed to take labor's advice (retention of price control). Unions have no choice but to seek wage increases. In addition our union will appeal to the public to resist undue and unnecessary inflation of prices by refusing to buy until prices are either stabilized or lowered."

J. W. Buckley, newly appointed secretary-treasurer of the Trades and Labor Congress of Canada: "Irrespective of labor laws, there will be a demand by the workers for further increases in wages."

C. S. Jackson, district president, United Electrical Workers (CIO-CCL): "Balance sheets published during the past two months showing an increase of 200% to 300% in 1946 profits over 1945, give the lie to the cry of the corporations for 'adequate incentive,' the guise under which the Government has tried to justify its price and taxation policies. Labor has been forced into a position where it must demand substantial wage increases."

• • •

Demand For Wage Boosts Increasing in U. S. Too

The symptoms of industrial uneasiness aren't confined to Canada. In the United States, they are perhaps even more noticeable. The strike threat was hanging over steel, autos, the railroads. On Monday, a nation-wide telephone strike began. There too, the pressure which might blow the lid off the economic kettle was continuing higher prices. Labor, it was generally agreed, had shown restraint. With the exception of the coal miners (in Canada too), there hasn't been a major strike since the 1946 wave ebbed six months ago.

But the much-talked-about shake-out hadn't come. Prices were going up instead of coming down. If they kept on going up, another round of wage demands was inevitable. And in many quarters, industry itself was being blamed.

Earnings in the United States in 1946 were up 37% over 1945; in meat, lumber, cotton goods, shoes and leather products, they were even higher. Industry's well-founded argument was that it had to get what it could during the good years to make up for losses in the bad years. But some business men were worried. Ford had cut prices; so had International Harvester. Secretary of Commerce W. Averell Harriman publicly urged other industries to follow suit before it was too late.

W. H. BUDDEN

assistant to the President of Tuckett Tobacco Co., Hamilton, has been appointed a director of the firm.

• • •

$40 for 40 Hours Is Loggers' Slogan

The B. C. Woodworkers, in pressing their claim for "$40 for 40 hours" submit these three factors as justification: (1) the continued rise in living costs; (2) increased productivity; (3) excellent profit position of the industry. Decision to go after increased wages was made by 90 delegates representing a claimed membership of 27,000 at a Wages and Contracts conference in Vancouver.

The conference authorized the raising of a $100,000 fund to be used "in the event a strike becomes necessary." This will be in addition to the regular strike fund established by special dues assessment, and a voluntary contribution of one day's pay. The present contract, won after a costly strike last year, ends in May. Notification of renegotiation must be given employers by April 20.

• • •

Ban Union Membership To Police in Ontario

Policemen in Ontario are now prevented by law from joining a bona fide trade union or any kind of organization with any direct or indirect connection with a labor union. However, the amendment to the Police Act, passed at the recent session of the Ontario legislature, does not stop them joining a local police association and through it, affiliating with a general federation of police. It also grants police the right to bargain collectively with a municipality or police commission and provides for arbitration which shall be binding on both parties in the event of failure to reach an agreement.

• • •

Mine's Portal Problem Solved by "Hotel Service"

There is a moral for all industry in the experience of a coal company in St. Clarisville, Ohio, in working out an answer to its mine portal-to-portal and related problems. By relocating an entrance to the pit, it cut travel time substantially and by glamorizing surface and underground worker facilities, raised morale proportionately. Production increased 300 manhours daily; miners were healthier and happier.

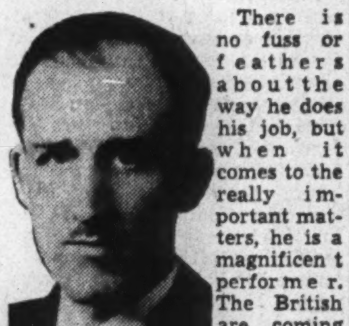
The new entrance cut the distance from shaft to coal surface from five miles to one, saving more than an hour a day in travel time. The old fashioned open-type lift was replaced by a modern, enclosed passenger-type elevator. It makes the descent in 22 seconds flat. When miners get out at the bottom, they enter a concrete, electric-lighted corridor, push through a revolving door and are practically at the coal face.

On the surface, the company built a shaft house which both company and employees claim is the fanciest layout in the country. It contains a gleaming, chrome-trimmed restaurant and soda fountain; a lounge; a 25-shower, tiled washroom and dressing room that can accommodate the mine's 600 employees at one time. A dance and recreation room and a roof garden are to be added soon.

See Little Tax Relief Near for U. K. Doubt Canada Plans 'Trade Curfew'

By **KENNETH R. WILSON**

LONDON (Staff)—Everywhere I go there is high praise of Canada's brilliant but unpretentious High Commissioner — Norman Robertson.



K. R. Wilson

There is no fuss or feathers about the way he does his job, but when it comes to the really important matters, he is a magnificent performer. The British are coming to have a very great respect for the new boss of Canada House; they are also getting accustomed to the direct, informal way that he cuts through red tape and gets matters settled by phone, which otherwise might take several days.

Norman misses the "Cafeteria Club" which used to meet every day at the Chateau Laurier and settle the world's problems in the basement "self-serve." Nearest thing is the periodic luncheon organized for Canadian folk by M. R. K. Birge, formerly head of British Information at Ottawa. These most delightful luncheons are held in the basement at "A L'Ecu de France" on Jermyn St. The High Commissioner comes along with the "regulars" and whoever happens to be in town.

• • •

Shuns Public Salutes Except When Imperative

Last week another visitor beside myself was E. J. Garland, former Canadian M. P. now on his way to Canada after a seven-year stint in Ireland as Canada's Number Two man. Mr. Garland, by the way, seems to have completely stolen Irish hearts. When he left the other day to return to Canada a large assembly of Irish friends and admirers gathered in the pouring rain to sing "For He's a Jolly Good Fellow." His ambition now is to soak up all the Canadian sunshine he can get, as amends for the thousands of sunless days he has had to endure since 1940.

The three of us went to Jermyn St. in the High Commissioner's car. I reminded Mr. Robertson of the recent reference by "Mike" Pearson in a public speech to having traded the diplomatic limousine for the humble street car of an Ottawa civil servant. Now that the roles are reversed, Robertson is quite enjoying the change. He says he always used to envy his chief-of-staff neighbors in Rockcliffe, who had staff cars calling for them three times a day during the war.

But I noticed that the High Commissioner, before he got into his Buick, asked the chauffeur to take the Canadian flag from the front of the car. He doesn't like having officers and policemen saluting him along the streets unless it is absolutely necessary.

• • •

Little Tax Relief Seen For Old Land

It is not likely that the British Chancellor of the Exchequer, Hugh Dalton, will have as good news for British taxpayers on April 15, as should be forthcoming on the comparable day that Mr. Abbott brings down his budget speech in Canada.

Last week (on April Fool's Day) Britishers got their traditional present of the public accounts for the year just ended. I got out my pencil to translate pounds into dollars and see just what the figures looked like. Roughly, this is what I found:

That Britain raised $13.2 billions in 1946-47 of which $4.9 billions or almost 40% came from personal income tax. Almost as much, ($4.7 billions) came from customs and excise duties. Profits taxes and EPT combined raised only $1.4 billions or less than 11% of total revenue.

Against these venues (which were slightly above the previous year's totals) the Government incurred an over-all deficit of no less than $4.8 billions.

That is bad enough. But the present year's estimates are already up to $12.7 billions—only half a billion below the past year's revenue. Thus the possibility of giving any tax relief and at the same time getting the national books into some sort of balance, seems highly precarious.

• • •

There have been a lot of parties for the Canadian trade delegation prior to departure for Geneva. One of these was given by Jim Armstrong, Agent-General at Ontario House. Among those who were there from Canada, were Col. R. Y. Eaton, who has been over here with his wife and Tom Bata, who has become one of Canada's most frequent international commuters.

Mr. Bata lives with his mother in London when he is on this side but hops across the Atlantic as frequently as most people commute from Toronto to Ottawa. He was concerned to hear that the Swedish government had banned imports, as the Canadian Bata firm had built up a nice business over there.

• • •

Doubt Canada Will Impose Trade 'Curfew'

Appropos this sudden ban on imports into Sweden, I was alarmed to hear a very well-informed Londoner express the view that "Canada would be next."

He recalled that Canada and Sweden had been two countries which had suddenly appreciated their currencies last summer in terms of U. S. dollars. I gave him a few reasons why I didn't think there was any immediate likelihood of Canada taking such a step. He was leaving for Canada himself to have a look at our situation at first hand.

Later, I went over to the Swedish Embassy to talk about their problem. They say that apart from the considerable "free list" which was announced shortly after the ban of March 15, there is to be another statement showing what quantities of "luxury" and non-essential goods may be imported. They also showed me alarming figures on the rise in imports, which had led to the trade curfew — something which has not been experienced to anything like the same degree in Canada.

• • •

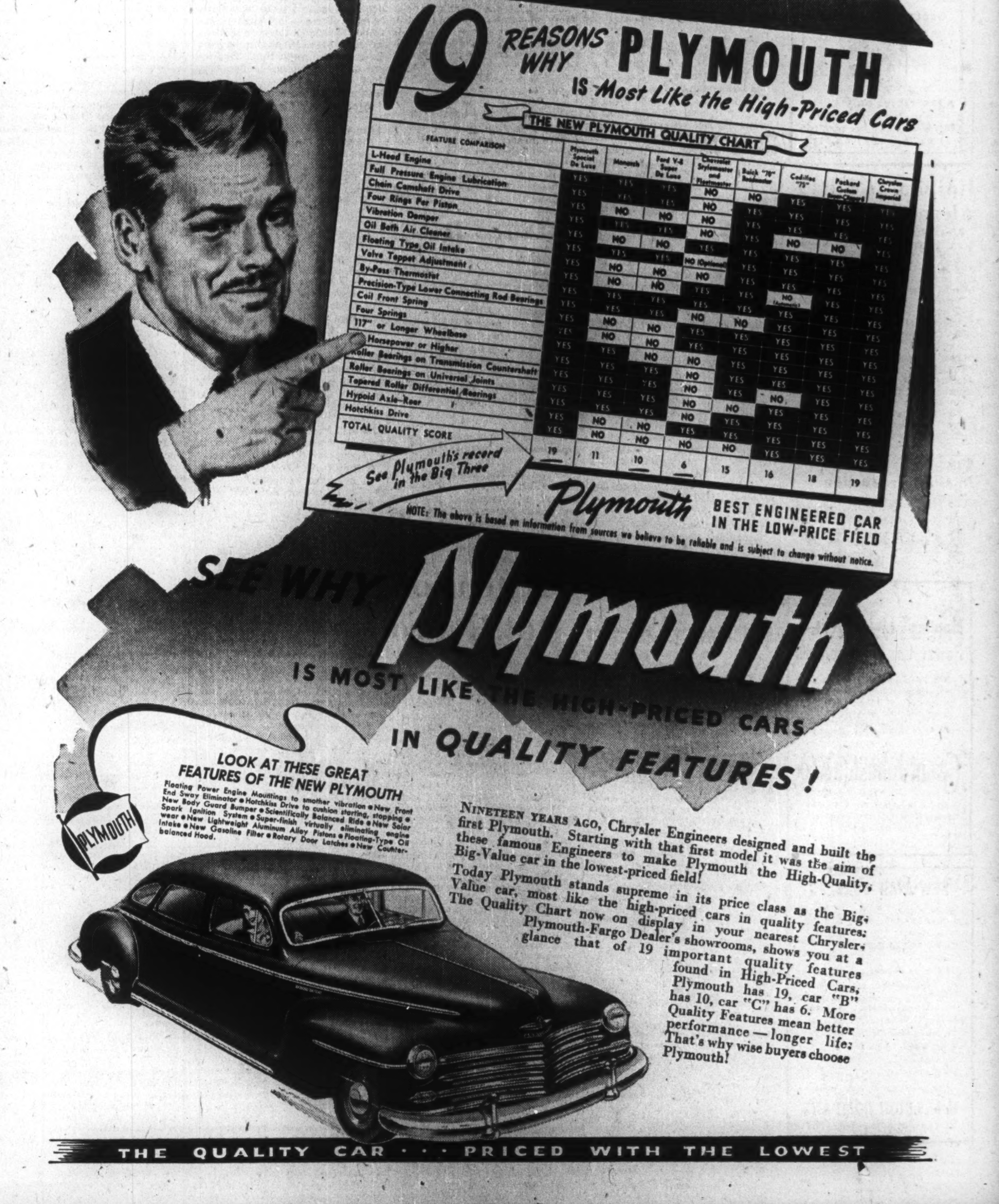
The Socialist Government has just picked as its two "super-planners," men who are on the payroll of two of the country's big "monopoly" business enterprises. One of these is Sir Edwin Plowden—a director of British Aluminium, which is described as: "A £4.5 millions company which produced with its subsidiaries, about 93% of Britain's aluminum during the war." The other is Sir Robert Sinclair, chairman of the vast and mighty Imperial Tobacco "trust."

Both these men came into the Government as topflight "dollar-a-year" men during the war. Now they are back to see if they can expedite the flow of materials and manpower into essential industry and co-ordinate the over-all planning of trade and industry. I met both these men here in 1944 and formed a very high regard for what they were doing and their abilities.

Smart Man!—it's a STETSON

One of the popular new narrow brim styles included in Stetson's 1947 Spring Offerings . . . Illustrated is the Royal Stetson DeLuxe . . . "Vogue" Style . . . $12.50. Other Stetsons from $8 to $20.

STETSON — THE WORLD'S MOST FAMOUS HAT


19 REASONS WHY PLYMOUTH IS Most Like the High-Priced Cars
See Plymouth's record in the Big Three
SEE WHY Plymouth IS MOST LIKE THE HIGH-PRICED CARS IN QUALITY FEATURES!
PLYMOUTH

THE NEW PLYMOUTH QUALITY CHART

FEATURE COMPARISON	Plymouth Special De Luxe	Monarch	Ford V-8 Super De Luxe	Chevrolet Stylemaster and Fleetmaster	Buick "70" Roadmaster	Cadillac "75"	Packard Custom Super-Clipper	Chrysler Crown Imperial
L-Head Engine	YES	YES	YES	NO	NO	YES	YES	YES
Full Pressure Engine Lubrication	YES	YES	YES	NO	YES	YES	YES	YES
Chain Camshaft Drive	YES	NO	NO	NO	YES	YES	YES	YES
Four Rings Per Piston	YES	YES	YES	NO	YES	NO	NO	YES
Vibration Damper	YES	NO	NO	YES	YES	YES	YES	YES
Oil Bath Air Cleaner	YES	YES	YES	NO (Optional)	YES	YES	YES	YES
Floating Type Oil Intake	YES	NO	NO	NO	YES	YES	YES	YES
Valve Tappet Adjustment	YES	NO	NO	YES	YES	NO (Automatic)	YES	YES
By-Pass Thermostat	YES	YES	YES	YES	YES	YES	YES	YES
Precision-Type Lower Connecting Rod Bearings	YES	YES	YES	NO	NO	YES	YES	YES
Coil Front Spring	YES	NO	NO	YES	YES	YES	YES	YES
Four Springs	YES	NO	NO	YES	YES	YES	YES	YES
117" or Longer Wheelbase	YES	YES	NO	NO	YES	YES	YES	YES
Horsepower or Higher	YES	YES	YES	NO	YES	YES	YES	YES
Roller Bearings on Transmission Countershaft	YES	YES	YES	NO	YES	NO	YES	YES
Roller Bearings on Universal Joints	YES	YES	YES	NO	NO	YES	YES	YES
Tapered Roller Differential Bearings	YES	YES	YES	NO	YES	YES	YES	YES
Hypoid Axle—Rear	YES	NO	NO	YES	YES	YES	YES	YES
Hotchkiss Drive	YES	NO	NO	NO	NO	YES	YES	YES
TOTAL QUALITY SCORE	19	11	10	6	15	16	18	19

Plymouth BEST ENGINEERED CAR IN THE LOW-PRICE FIELD

NOTE: The above is based on information from sources we believe to be reliable and is subject to change without notice.

LOOK AT THESE GREAT FEATURES OF THE NEW PLYMOUTH

Floating Power Engine Mountings to smother vibration • New Front End Sway Eliminator • Hotchkiss Drive to cushion starting, stopping • New Body Guard Bumper • Scientifically Balanced Ride • New Solar Spark Ignition System • Super-finish virtually eliminating engine wear • New Lightweight Aluminum Alloy Pistons • Floating-Type Oil Intake • New Gasoline Filter • Rotary Door Latches • New Counter-balanced Hood.

Nineteen years ago, Chrysler Engineers designed and built the first Plymouth. Starting with that first model it was the aim of these famous Engineers to make Plymouth the High-Quality, Big-Value car in the lowest-priced field!

Today Plymouth stands supreme in its price class as the Big-Value car, most like the high-priced cars in quality features: The Quality Chart now on display in your nearest Chrysler-Plymouth-Fargo Dealer's showrooms, shows you at a glance that of 19 important quality features found in High-Priced Cars, Plymouth has 19, car "B" has 10, car "C" has 6. More Quality Features mean better performance — longer life: That's why wise buyers choose Plymouth!

THE QUALITY CAR . . . PRICED WITH THE LOWEST

See FAIRBANKS-MORSE

first for PUMPS

There are countless applications for this F-M Pomona deep well turbine pump, in irrigation, industrial and municipal service. Of the semi-open impeller, water-lubricant type, the Fairbanks-Morse Pomona is so flexible that it can be easily adapted to handle practically any kind of pumping operation. Capacities from 15 to 10,000 G.P.M.; for lifts as great as 1,000 feet; in sizes from 4" to 36". If you have a pumping operation, we have the unit to fill your needs. Full service at all times; call our nearest office for details.

The CANADIAN
Fairbanks-Morse
COMPANY Limited
The Departmental Store For Industry
FIFTEEN BRANCHES FROM COAST TO COAST

Classified ADVERTISEMENTS

Classified ads. cost 4c. per word and figure for each insertion. Minimum ad. 12 words. Add six words when box number is required. When replies are to be mailed to advertiser, add 10c. Classified ads. payable in advance. Contract rates on application.

ACCOUNTANCY STUDENT, age 25, single, senior matriculation, special commercial course, planning to study executive course, desires position with commercial or industrial organization with good future possibilities for advancement. Four years experience labour distribution, payrolls, etc. Intelligent, ambitious, proven ability. Presently employed but desires change. Box 135, The Financial Post, Toronto.

ENGINEER AVAILABLE

GRADUATE AND Professional Engineer, age 33, veteran. Plant and sales experience in heavy industry mainly steel, plus considerable knowledge of plastics and welding, business correspondence course. Seeking responsible position preferably with small expanding company. Box 134, The Financial Post, Toronto.

SALESMEN WANTED

ALERT SALESMEN, currently calling on the radio and phonograph trade, wanted to handle new line of unbreakable phonograph records for Canadian importers. Choice exclusive territories still open in Maritimes, Quebec, Northern Ontario, Prairies and British Columbia.

If you have an outstanding sales record and can handle this product as an additional line, write giving full details of firms or products you now represent, actual territory covered, frequency of calls and names of two independent references.

This is an exceptional opportunity for either salesman or agency. Dealer response everywhere has been enthusiastic. Our Ontario salesmen are making as much as $50 a week on these records alone. Address enquiries to Box 133, The Financial Post, 481 University Ave., Toronto.

FOR SALE

"WELL ESTABLISHED Funeral Home For Sale in Vancouver" on account of health. Apply 5849 Boundary Road, Vancouver, B.C.

Available
PENSION PLAN MANAGER
OR
EXECUTIVE

YOUNG MAN with sound industrial and financial business experience. Presently employed as Internal Auditor and managing Employees' Retirement Plan. Box No. 128, The Financial Post, Toronto.

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BOND
SHARES
OF
GROUP SECURITIES, INC.

A PROSPECTUS ON REQUEST
from your investment dealer or
Distributors Group, Incorporated
63 Wall Street, New York 5, N. Y.

Hospital Is Buyer Alexandra Palace

Alexandra Palace, Toronto, has been purchased by the Hospital For Sick Children, Toronto, for nurses' residence, it is revealed this week. (For sale see The Financial Post April 5.)

Through its purchase the trustees of the hospital expect to save a substantial sum when the new Sick Children's Hospital is built, through not having to provide nurses' accommodation in the new hospital. No part of the $350,000 required for its purchase came from money donated for the new hospital, it is stressed.

The Alexandra Palace will continue to be operated as an apartment hotel for the present.

Quebec Reports Drop In Gold Production

Quebec gold production totalled 43,027 oz. in February, off from 51,962 oz. in February, 1946 and 43,047 oz. in January, 1947. Silver output was 63,594 oz. (155,789 oz. same month last year and 64,953 oz. in January, 1947).

To
Montreal Light, Heat &
Power Co. Shareholders

We have prepared a list of securities suitable for reinvestment of the proceeds from the sale of your stock.

A Copy Mailed on Request

Grant Johnston & Co

Members Montreal Stock Exchange
Members Montreal Curb Market
485 McGill St.
MA. 6194 Montreal

NEW WAR SURPLUS

White Navy Pants Sizes 30 to 40	$12.50 doz.
Wool Socks	2.00 doz.
Cotton Ribbed Knit Shorts	2.85 doz.
USN. Grey Raincoats	4.00 each
Army Regulation Raincoats	3.75 each
Army Combat Boots	4.50 pair
Plastic Flashlights	9.00 doz.

Coveralls, Overalls
Wool Serge Trousers,
Wool Serge Coats.
Many other interesting items.
All prices F.O.B. New York.

H. M. LEIGH COMPANY
59 Pearl St., New York, N.Y.

INVESTMENTS THIS WEEK

See Merit in Disclosure Of Directors' Holdings

Desirability of requiring directors of public companies to disclose their beneficial interest in their companies' securities is again being discussed, due to recent events in financial circles. And this requirement should apply to members of committees formed to represent holders of securities, it is argued.

In this way shareholders, and investors generally, could see who had the greatest financial stake in the welfare of a company. This might serve as a guide to smaller shareholders when contentious questions arise, it is argued, as the person with the greatest personal amount at stake should have the most to lose through an error in any decision.

It would be particularly helpful to the smaller shareholders in cases like the current fight for control of St. Lawrence Corp. where two groups are seeking proxies, to know which individuals had the largest personal amount at stake. Disclosure of individual interests might aid in deciding which group's proxy to return.

Also in the Montreal Light & Power case, it would have been helpful to know the extent to which the directors were personally financially interested, it is argued.

But even where there is no contentious issue, shareholders and investors generally would welcome information as to directors' holdings of securities. Certainly there can be no doubt of what the public is likely to think about a company or about the energy and devotion a company is likely to get from its management, where the management has a substantial personal stake in company fortunes or is seen to be increasing its stake.

In the United States, the interest of directors in company's securities is required to be disclosed in the proxy statement.

Under section 96A of the Dominion's Companies Act, directors of public companies are required to furnish its secretary annually a detailed statement of that company's securities bought or sold for their personal account during the previous 12 months, for the information of shareholders at the annual meeting. But a shareholder must be present at the annual meeting and, in practice, has to ask to see this information, it is pointed out. Even then, this section only gives the past year's transaction, and not the total amount at stake.

Further, there is not even a similar provision under Ontario's Companies Act,—a fact taken advantage of in at least one annual meeting this year. This argument was used by the management of National Sewer Pipe Co. when shareholders asked for the share transactions of its directors.

It is recognized that an important development of recent years has been inclusion on company directorates, of men of limited or modest means. On the boards of large Canadian corporations there are farmers, workers and men of experience and sagacity who have a valuable contribution to make but who may not be in a position to make much more than a token investment in the company. But if they believe in the future of the company they will be anxious to buy its stock so their year's transactions may be revealing.

Arguments for disclosure of directors' interests, which apply also to members of committees seeking to represent security holders, would seem to merit consideration by the Dominion and provincial law makers.

* * *

Annual Reports

Canadian Bronze Co. annual report's remarks review past policy and repeat statement figures of 1946 but does not comment on 1946 operations or problems or on prospects. Shareholders would welcome this additional information.

* * *

Southam Co. annual report gives two year comparative balance sheet and revenue and expenditure figures, is easy to read and informative. A summary of important changes in the balance sheet, where the 1946 dollar went, together with a statement of its basic policy, is helpful to shareholders.

* * *

Canadian Investors Corp. annual report gives shareholders a detailed list of investments in addition to classifying them as to type of security and as to industry. It also states that any shareholder will be furnished on request, with detailed information as to the investment holdings at any time. This adds to the confidence of shareholders.

* * *

Howard Smith Earnings Reduced By Writeoffs

Although Howard Smith Paper Mills, Ltd. net profit of $1,184,637 for 1946 is only slightly higher than in 1945, this is after certain write-offs which might have been charged to surplus. Inclusion of a $250,000 charge to Contingency Reserve and of the $177,531 payments for past service benefits to the Employees Pension fund with the current year's profits, would have added an additional $1.28 a common share to the earnings of $2.48 a share.

Further, the charge to inventory reserve of $230,518 is up substantially from the $15,620 charge in 1945. The inventory reserve totalling $1,248,012 at Dec. 31, 1946 amounts to over 22% of the inventory account of $5,636,689.

At its current price of about $28½, Howard Smith common is selling 11.5 times earnings of $2.48 a share but only 7.6 times earnings of $3.76 a share. On its current dividend rate of $1 a year, the stock yields about 3.51%.

* * *

Confidence Expressed In Long Term Outlook

While at times the economic and financial outlook may appear more obscure than at others, the basic long-term factors underlying the business and financial structure in Canada and on this continent are favorable, Wood, Gundy & Co. state in a circular to clients:

Savings and demand deposits in Canada exceeded $5,619 millions at Jan. 31, 1947 ($4,911,- millions at the end of 1946 and $2,598 millions at Jan. 31, 1940).

Active note circulation in Canada has also recorded substantial increases, approximating $1,000 millions in Jan. 1947 ($962 millions a year before and $232 millions in Jan. 1940).

The 1946 annual statements of a wide range of Canadian corporations are reporting substantially increased profits, while current operations continue at high levels. It must not be assumed, however, that business will constantly expand without normal fluctuations and readjustments but, with favorable long-term factors, well-chosen securities may be held with confidence and suitable investments made from time to time to meet individual requirements, the firm states.

* * *

A handy booklet entitled "Safeguarding Your Savings" has just been issued by the Toronto Better Business Bureau, Inc. It sets out in simple terms some of the elemental principles of investing and points out certain "Swindling Practices." Copies may be obtained from the Bureau, 350 Bay St., Toronto, for five cents in stamps.

Rural Service Extension Record Set by Ont. Hydro

A remarkable growth of rural electrical service together with a continuation of the increase in power requirements featured operations of the Hydro Electric Power Commission of Ontario in 1946, according to a review issued by the Commission.

Although a reduction in the demand for power was expected after hostilities ceased which would be sufficient to restore the margin of reserve power considered desirable for operating efficiency and to facilitate overhauling of plant and equipment, this situation did not develop. Instead the Commission had to request citizens again to economize in the use of Hydro, the review points out.

The shortage was aggravated by a serious water shortage during the summer and fall months of 1946 on the rivers supplying the generating stations of the Georgian Bay and eastern Ontario division of the southern Ontario system. In northern Ontario water conditions were similar though less severe with the result that Hydro entered the fall and winter season 1946-1947 with depleted storage reservoirs.

In southern Ontario the Commission, although able to meet all its requirements in respect to its firm power contracts was not able to meet all the power demands of large industrial users who purchase power on an interruptible basis. Substantial reductions in delivery of both power and energy to this class of customer were necessary during the late fall and winter of 1946-1947.

Total peak output from all sources was 2.6 million h.p., exceeding the record peak of the previous year by 17,000 h.p. The peak output for primary power was 2.5 millions h.p., exceeding all previous records for this class of power.

Total energy produced from all sources was 12,672 millions kw.h.—184 million kw.h. or 1.5% greater than in the previous year. Energy output for primary power purposes dropped 1.4% from 11,110 million kw.h. in 1945 to 10,951 kw.h. in 1946 reflecting the effect of reduced energy demands during part of the year, resulting from labor disputes.

Although the supply of materials required for the construction of rural lines improved during 1946, deliveries were still insufficient to permit completion of more than 60% of the primary line extension program originally proposed.

About 1,200 miles of line were constructed and service was given to about 16,500 new consumers, 13,300 of whom received service from existing lines. Use of power in rural areas increased by over 25%.

Total mileage of rural lines constructed or under construction was 23,700 at the end of 1946. These lines will shortly serve about 178,000 consumers. At the end of October there were enough rural applications for service to warrant the construction of 7,310 miles of new line. The Commission's construction plans call for the building of about 1,500 miles of rural lines in 1947 depending on the availability of materials and equipment.

Operating Deficit Is Shown by CPR

MONTREAL (Staff) — A deficit of $1,026,535 is reported by Canadian Pacific Railways for Feb., 1947, compared to net earnings of $1,359,910 for the same month in 1946. Working expenses were $22,062,065; gross earnings $21,035,530.

In the first two months of 1947 CPR operated at a loss of $839,501. Gross earnings for the two months were $44,394,433 ($45,907,581 in the 1946 period); working expenses $45,233,934 ($43,329,350).

White Group Seeks Proxies Loses In Court

Latest move in the fight for control of St. Lawrence Corp. is issuance of a letter this week by Arthur F. White's Stockholders' Committee, soliciting proxies for the annual meeting. The letter states that Stockholders' Committee has already received proxies representing more than 54% of the Class A and common stock and that "many additional proxies have been promised." Proxies are being solicited because the committee "desires the highest possible expression of support."

The White Committee is not to be confused with the Shareholders' Representative Committee which this week came out in support of present management.

The committee letter criticizes four major points made by the present management in its letter dated Mar. 31, which accompanied the financial statements mailed to shareholders. The criticisms are:

1946 earnings—An analysis of the Canadian pulp and paper industry published by Flood & Co., Montreal, gives "the most striking evidence of the ineffectiveness of the present management." The analysis shows that in 1945 the operating income per ton rated capacity of St. Lawrence was the lowest of any comparable Canadian paper company and less than half the average of its three major competitors. One of the principal partners of Flood & Co. is a director of St. Lawrence.

The Red Rock project—Implications of unsatisfactory earnings by Brompton Pulp & Paper overlooked the fact that Brompton is primarily a producer of kraft paper which was subject to rigid price control during 1946, while newsprint prices were advancing sharply. Increase in kraft prices from $82 to $95 a ton is equivalent to over $1 million annually on Brompton's production. The increase was effective in January, 1947.

Quebec Government's attitude—Arthur F. White received assurance from Premier Duplessis on Mar. 18 that Mr. Duplessis had no interest in current contest between shareholder groups, his only concern being that companies using province's natural resources should not be overcapitalized. "The stockholders whom we represent have the largest financial stake in the company," the letter says. "They would certainly not approve any action which would jeopardize the value of their investment."

Shareholders' Representative Committee—Only two of the 11 members of this committee appear on St. Lawrence Corp. shareholders' list as stockholders. One is "a sales agent for the various St. Lawrence Companies—a relationship which is presumably profitable to him."

"On the record," the letter concludes, "we believe the Shareholders' Representative Committee was organized by the present directors for the sole purpose of assisting them to retain their control over the company."

Injunction Refused

The White Group now says it recognizes its legal grounds for asking an injunction against the subsidiaries' meetings were not good, but felt every possible step should be taken to protect shareholders' interests.

New Company Formed In India Will Tie In With John Inglis

Prospects for increased business with India for John Inglis Co. is seen in the formation in India of Machinery Manufacturers Corp., announced by K. C. Mahindra who is now in Canada.

John Inglis Co. is "a partner in this venture" although the extent of its interest was not disclosed.

Machinery Manufacturers Corp. will both manufacture itself and import and assemble in India, machinery of various types, as well as availing itself of Canadian technical help. While Mr. Mahindra did not list the actual classes of machinery to be imported or manufactured, a clue is given by the tie-in with John Inglis, which has both a general engineering division and a consumers' products division.

The new company hopes to be on a production basis and finalize its planned program within two years. The board consists of leading India industrialists, representing varied interests, Mr. Mahindra states. Chairman is Sir Purshotumdas Thakurdas, a leader in the cotton industry, finance and banking.

J. E. Hahn, president of John Inglis, stated that it gives his company a tie-up with a group of the most responsible industrialists in India. He feels that it is a good opportunity, in view of the large industrialization program expected for India. Over the next five years about $3 billions is expected to be spent in industrialization there, according to present plans of industry and the Government, Mr. Mahindra stated.

Broad Changes In Portfolio, Cdn. Investors

Broad changes in all types of security holdings in the investment portfolio of Canadian Investors Corp. are revealed in its annual report for year ended Jan. 31. Biggest change was effected in bonds and debenture holdings where total investment increased approximately 10% from end of previous fiscal year. Investment in preferred stocks was off almost 7% while holdings in common stock dropped over 2.6%.

One important change in common stock holdings was sale of shares of three United States utility holding companies.

Securities sold during the year resulted in a profit of $65,910 which was charged to capital deficit.

With 62.8% of company's funds invested in bonds and preferred stocks and 36.06% in common stocks, the company is in a favorable position to take advantage of any investment opportunities which may develop, the annual report states. Of total portfolio holdings 31.54% is in Dom. of Canada bonds.

Following is a list of security changes in company's investment portfolio effected during the year.

BROAD CHANGES

Bonds	
Securities Added	
$25,000	B. C. Pulp, 7%.
$185,000	Dom. of Can., 3%.
Securities Eliminated	
$75,000	Abitibi, 5%.
$10,000	Mayor Bldg., 3%.
$30,000	St. Maurice, 5%.
Pref. Stocks	
Securities Added	
250	Algoma Steel, 5%.
700	Cdn. Canners, second.
100	Cdn. Canners, 5%.
500	Dom. Tar & Chem., $1.00.
255	Federal Grain, 6½%.
250	Gatineau Power, 5%.
335	Great Lakes, A.
250	Legare Co., 6%.
Securities Added	
300	Alum. Co. of Can., 5%.
250	Canada Wire & Cable, 6½%.
2,000	Candn. Car & Fdry., $2.10.
600	Candn. Celanese, $1.75.
500	Hiram Walker, $1.00.
400	Interstate Bakeries, $5.00.
250	McColl-Frontenac, 6%.
365	Nat. Grocers, $1.50.
Common Stocks	
Securities Eliminated	
400	Cons. Mining & Smelting.
75	Fanny Farmer.
390	Gatineau Pwr.
1,100	Int. Utilities.
400	Int. Paper.
5	Montreal Telegraph.
500	Motor Wheel Corp.
500	McColl-Frontenac.
1,000	Tamblyn.
5,000	Leitch Gold Mines.
Securities Eliminated	
900	Harding Carpets.
355	Hayes Steel.
1,000	Bathurst Pwr., A.
100	Amer. Pwr. & Light.
300	Building Products.
375	Canada Vinegars.
50	Can. Celanese.
2,000	Comm. & Southern.
125	Elec. Bond & Share.
200	Elec. Pwr. & Light.
500	General Steel Wares.
500	Howard Smith.
400	Humberstone Shoe.
400	John Labatt.
500	Nat. Steel Car.

GOLDEN ARROW MINES resumed shaft sinking Feb., 1947, to establish another level at a depth of 400 ft., President V. R. MacMillan states in 1946 annual report. Drifting was temporarily halted on the first level to permit extension of the shaft.

Developments underground are too incomplete as yet to permit detailed assessment of the property's possibilities, Consulting Engineer N. H. Atkinson states. The principal gold-bearing zone, along the main fault through syenite, has been drifted on for 390 ft. Full widths and grade have been determined by lateral diamond drilling for only the southern 141.3 ft. of the main drift, which averaged $5.74 across 30.8 ft. Current assets were $155,111 and liabilities $6,930 at Dec. 31, 1946.

Canadian Oil Cos. Sells Preferred

A new issue of $1 million cumulative 4% preference shares, par $100, of Canadian Oil Companies has been sold at $99 per share to yield 4.04% by Nesbitt, Thomson & Co. Net proceeds will be used to reimburse the company for capital expenditures already made and for general corporate purposes.

Average net earnings for the 10 years ended 1946, after depreciation, income and excess profits taxes, and after providing for interest on the $4.5 millions new 3¼% bonds to be outstanding, but eliminating the charge for interest on bonds previously outstanding, were $325,963 a year, —equal to 1.3 times the annual dividend requirement on all preference shares outstanding, including the present shares. In 1946, earnings adjusted as above amounted to $768,098, equal to 3.14 times the annual dividend requirements on all preference shares outstanding, it is stated.

Abitibi Div'd. To Be Studied Says Ambridge

Although the 1947 annual meeting of Abitibi Power & Paper Co. this week was its first since coming out of receivership, there was a very poor attendance of shareholders. Less than 30 persons, including the directors, were present, representing only 6,793 shares. Another 1,061,941 shares were represented by proxies.

Many shareholders expected some announcement of dividend policy, but little information was disclosed, President D. W. Ambridge, stated: "The dividend policy of the company will be carefully studied by the directors. I feel sure all shareholders will agree that maintenance of a strong liquid rehabilitation is a early years of rehabilitation is a matter of prime importance."

Mr. Ambridge also pointed out that under the trust deed securing the new bond issue, no dividends on either preference or common shares may be declared, the payment of which would reduce the consolidated net assets to less than $12.5 millions. Nor may any dividends be paid out of the consolidated earned surplus of the company and its subsidiaries (other than Provincial Paper Ltd.) existing on Dec. 31, 1946, he added.

Mr. Ambridge also pointed out that as of Apr. 1, 1947, refunding of the 5% bonds had been accomplished, and the company was now free to act without the restrictions imposed by the plan of reorganization. "Among other things, this means that the 14 shares of 5% preferred stock which were held by the seven Class A directors have become redeemable and all directors may not be elected by shareholders," he said.

Respecting the $6 a ton price increase effective Apr. 1, 1947, Mr. Ambridge said, "We believe that the company's customers are entirely willing to assume whatever expense is necessary in order to maintain maximum production of a commodity which the whole world urgently requires."

The meeting was routine with the existing directors all re-elected.

London Realty Co. Issue Quickly Sold

A rapid oversubscription to a refunding issue of $600,000 London Realty Co. 4% first (closed) mortgage sinking fund bonds is reported. The bonds, which are dated May 1, 1947, and due May 1, 1962, were offered at par and accrued interest last week by Midland Securities Ltd., and R. A. Daly Co.

Proceeds are to retire $570,000 outstanding 6½% mortgage bonds due May 1, 1950, with the balance for other corporate purposes.

Average annual net earnings after depreciation but before bond interest and income taxes, were $89,215 for the last 10 years which is about 3.7 times the annual interest requirement of $24,000.

London Realty Co. owns and operates the eight-story Hotel London, London, Ont., which contains 305 bedrooms.

POTT FALLS GOLD MINES advises that hole No. 2 cut a narrow 1 in. quartz vein at 180 ft. vertical depth which assayed 39.30 oz., which would represent $38.15 over a 3-ft. mining width. The intersection is considered of great importance as it was cut in the primary zone, approximately 50 ft. below the zone of oxidization. In the northwest drift from the shaft at the 130-ft. level, the vein has also been picked up.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CANADIAN INVESTORS CORP. net profit for the year ended Jan. 31, 1947 was up 10%. A portion of the increase in net income is due to exemption from income tax on revenue of investment companies, granted under the amendments to the Income War Tax Act passed in 1946.

Liquidating value of company's stock, as of Jan. 31, 1947, was $11.88 per share, compared with $11.96 at end of previous year.

Classification of investments on basis of types:

	1947	1946
Cash	1.08	1.26
Bonds	35.24	25.52
Pref. stocks	27.62	34.48
Com. stocks	36.06	38.74
	100.00	100.00

INCOME ACCOUNT

Years Ended Jan. 31:	1947	1946
Int. & divds. (net)	$48,953	$48,067
Less: Adm. exp.	2,204	2,254
Reg. & audit. fees	1,698	1,741
Income tax	475	3,430
Net profit*	44,576	40,542
Less: Dividends	40,000	40,000
Surplus for year	4,576	542
*Excess of profit on secs. sold credited to cap. deficit	65,910	18,771
Earnings per Share and Dividend Record:		
Earned	$0.45	$0.41
Paid	0.40	0.40

BALANCE SHEET

As at Jan. 31:	1947	1946
Cash	$12,853	$15,219
Accts. rec.	1,200	......
Interest accrued	3,991	2,823
Invest. (cost)*	1,066,146	1,000,178
Total assets	1,084,190	1,018,220
Current liab.	10,680	15,196
Capital stock	1,000,000	1,000,000
Capital deficit	119,820	‡185,730
Earned surplus	193,330	188,754
*Market value	1,181,208	1,193,048

‡Reflects $179,730 w/o book value of certain stocks to reduce to approx. market value.

Note:—Total capital and surpluses subject to depreciation in value of investments.

PERRON GOLD MINES experienced a decrease in earnings to $165,768 or eight cents a share in 1946 but working capital increased over $145,000 to $889,889 exclusive of investments in New Calumet, Kenda Pershing and Seventh Malartic.

Encouraging results are reported secured in a section north of the main shear zone. A 2,100-ft. crosscut is now proposed at the 725-ft. level to allow detailed exploration.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Bullion recov.	$740,172	$763,706
Less: Mkt. chgs.	25,019	9,166
Net production	715,153	754,540
Less: Oper. exps.	550,350	508,860
Oper. earnings	164,803	245,680
Add: Misc. inc.	80,169	125,908
Net earnings	244,972	371,588
Less: Deprec.	29,937	53,765
Res. for taxes	49,267	60,375
Net profit	165,768	257,448
Less: Divds.	200,000	200,000
Deficit for year	34,232	a57,448
Earned per Share	$0.08	$0.129
Paid	0.10	0.10

aSurplus.

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & bullion	$57,915	$32,669
Investments*	767,060	678,229
Accts. rec.	30,001	16,973
Mat. & supplies	180,261	153,234
Total curr. assets	1,035,237	881,105
Prep. & def. chgs.	8,632	8,002
Adv. to & inv. in other cos.	200,220	397,821
Mining props.	1,121,180	1,121,180
Other props.	30,524	23,463
Plant & equip.†	106,277	97,920
Total assets	2,502,070	2,529,491
Total curr. liab.	145,348	138,587
Capital stock	1,595,908	1,595,908
Earned surplus	760,814	785,046
*Market value	893,000	986,000
†After depr. of	888,787	874,742
Working capital	889,889	742,568

OPERATING STATISTICS

	1946	1945
Ore reserves, tons	174,000	200,934
Grade	6.48	6.53
Tons milled	113,740	106,485
Aver. recovery	6.51	7.17

A Successful
Investment Policy

The basis of a successful investment policy is outlined in our new "April Securities List" which includes an attractive selection of Canadian Bonds and Shares with yields ranging from 2.75% to 5.25%.

"April Securities List"
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Ottawa Montreal New York Victoria
London, Eng. Hamilton Kitchener London, Ont.

Hull City Clears Another Hurdle In OLHP Race

MONTREAL (Staff) — City of Hull is making distinct progress in its contest with Gatineau Power Co. for acquisition of the electrical distribution system of Ottawa Light, Heat & Power Co. in Hull. The city took a big step forward when the Public Bills Committee of the Quebec Legislature approved a bill by which Hull may obtain the right to buy through expropriation or agreement, the OLHP distribution system and to borrow $250,000 to set up the Hull Electrical Municipal Commission.

The city still has a couple of hurdles to clear. First, the bill must pass both houses of the Quebec legislature. Second, the city must hold a referendum to get the approval of municipal electors.

Prior to this move in favor of Hull, Gatineau Power had filed an agreement with the Provincial Electricity Board covering purchase of the same electrical distribution system. If the Hull bill passes the legislature it is thought likely that the Electricity Board will okay it, although some sources state that technically, the Board could still give the green light to Gatineau Power.

Some observers believe Hull may stub its toe on electoral opinion; that taxpayers may balk at an addition to municipal debt unless the city can prove that a commission can do a more efficient job than a private company. Gatineau Power already operates an electrical distribution system in Hull and sells electricity wholesale to the city. Question before Hull voters if the referendum is held will be: whether they want a consolidated electrical distribution system operated by Gatineau Power or competition between Gatineau and the Hull Electrical Commission.

Nothing definite with respect to the Hull assets of OLHP is likely to take place, however, until negotiations between OLHP and the Ontario Hydro Commission with respect to Ontario assets of the company are completed.

Consumers' Gas Sales Increase

Consumers' Gas Co. of Toronto reports a gain of 6½% in gas sales in the first half of its fiscal year, beginning Oct. 1, last. The gain in March over March, 1946, was a fraction under 10%.

Second highest output in company's history was on Mar. 25, at 29,099,000 cu. ft. The record day was Feb. 13, this year, at 29,828,000 cu. ft. Sales of apparatus, mainly for industrial purposes, in the first five months of the fiscal year has been 24% in value greater than in the same period of the previous year. Sales are still said governed by shortages of new equipment.

LORIE MINES announces that a magnetometer survey, under the direction of Geosurveys Ltd., has been under way for two weeks. Preliminary reports show several anomalies indicated. On completion of surveying, a diamond drilling campaign will be decided upon, based upon results of the survey.

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GYPSUM LIME & ALABASTINE (CANADA) LTD. annual meeting was routine. All directors were re-elected. It is expected that 1947 will prove as good a year as 1946, it was stated.

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REPLY BOX 131, THE FINANCIAL POST, TORONTO

ELECTRICAL CONTRACTORS' BUSINESS FOR SALE

Senior interest in largest firm in its field in Southwestern Ontario for sale. Contracts this year to date exceed $200,000. Company also has agency for nationally advertised Oil-Burning and Air-Conditioning equipment. Advertiser agrees to devote reasonable period to acquaint purchaser with present clientele.

BOX 132, THE FINANCIAL POST, TORONTO

26 Companies' Earnings Are 47% Higher in 1946

By JAMES H. JOYCE

Annual reports continue to reveal that Canadian company earnings in 1946 were on the average higher than in 1945. This is shown by a survey of the recently published reports of 60 widely diversified firms whose fiscal year includes at least nine months of operation in the 1946 calendar year.

Earnings a common share were 47.3% higher in 1946 than in 1945 for the 26 firms shown in the accompanying table. But their stocks are all selling under their 1946-47 highs. Consequently one dollar of 1946 earning power in these 26 firms can now be bought 17.1% more cheaply on the average than at their highs.

This reflects the fear of investors, engendered by the unsettled international situation and by forecasts of a business recession that there may be trouble ahead which would affect future earnings. Until the business outlook clarifies, there is a definite feeling that caution is likely to prevail among investors.

One share in each of the 26 firms shown in the current table can now be purchased at an average of 11.6 times its 1946 earnings as against 14.0 times as their respective 1946-47 highs — 17.1% cheaper.

In two earlier surveys, earnings of 34 other Canadian companies were found to be up 19.3%. Combined results for the 60 firms show earnings 29.5% higher in 1946 than in 1945. For 17 firms shown in The Financial Post of March 1, 1947, earnings were up 14.6% and for another 17 in The Post of Feb. 1, 1947, up 25%. And one dollar of 1946 earning power in these 34 firms cost about 15% less than at their heights.

Varying results are shown by the individual stocks. Three of the 26 stocks—Brewers & Distillers of Vancouver, Easy Washing Machine and G Tamblyn—are selling less than $1 a share from their highs.

Two of the 26 stocks—Canadian Locomotive and Montreal Locomotive Works—are selling less than five times their 1946 earnings which is generally regarded as a low times earnings ratio (The Financial Post, March. 22, 1947).

Another five—Canadian Western Lumber, Easy Washing Machine, L. McBrine, McColl Frontenac Oil and Westeel Products—sell between five and ten times their 1946 earnings which is still regarded as a low earnings ratio. The L. McBrine Co. shows the largest percentage increase in earnings in 1946 of any of the 26 firms, its earnings rising from 19c. a share to $1.94.

None of the 26 stocks sell over 20 times earnings and only two—Asbestos Corp. and International Nickel—over 16 times 1946 earnings. Over 20 times is usually regarded as a high times earnings ratio.

Two companies on the list show a drop in earnings in 1946—Asbestos Corp. and John Bertram & Sons. The largest drop is shown by the latter and is said due largely to the disarrangement of its production schedules, resulting from cancellation of a Russian Government order last year.

Per share earnings of the 26 companies for their last two fiscal years and their price times-1946-earnings ratio for their 1946-47 highs and as their current price are:

Company	Year End	Net per Share 1946 $	Net per Share 1945 $	Price 1946-47 High $	Price Times Earn.	Price Recent $	Price Times Earn.
Asbestos Corp.	Dec. 31	1.59	1.81	35	22.01	28¼	17.77
John Bertram (B)	Dec. 31	0.31	1.04	8	25.81	4¼	13.71
Brewers & Dist. (Vanc.)	Dec. 31	1.27	0.97	17	13.39	16½	12.99
Burlington Steel	Dec. 31	0.94	0.84	15	15.95	12¼	13.03
Can. Celanese	Dec. 31	4.10	3.02	78	19.02	62	15.12
Can. Locomotive	Dec. 31	7.04	4.83	46	6.53	28½	4.05
Can. Oil Companies	Dec. 31	1.59	0.81	18¾	11.79	17½	11.01
Can. West. Lumber	Dec. 31	0.33	0.20	3.80	11.52	3⅛	9.47
Dominion Tar	Dec. 31	2.40	1.62	32½	13.54	27½	11.46
Easy Washing	Dec. 31	1.65	1.08	15⅞	9.62	15	9.09
Fanny Farmer	Dec. 31	4.53	2.35	67	14.79	58	12.80
General Steel Wares	Dec. 31	1.57	0.97	20⅝	13.14	17½	11.15
Gypsum Lime	Nov. 30	1.32	0.57	18½	14.02	15	11.36
Inter. Nickel	Dec. 31	1.90	1.58	47	24.74	35	18.42
Maclaren Pr. & Paper	Nov. 30	3.47	2.01	47½	13.69	40½	11.67
Massey-Harris	Nov. 30	1.58	1.32	21¾	13.77	20	12.66
McBrine Co. L.	Dec. 31	1.94	0.19	21	10.82	18½	9.54
McColl-Frontenac	Dec. 31	3.18	1.62	26½	8.33	25½	7.94
Montreal Locomotive	Dec. 31	4.19	2.58	22⅛	5.27	19½	4.65
Moore Corp.	Dec. 31	4.59	3.14	81	17.65	70	15.25
National Breweries	Dec. 31	3.49	3.03	52	14.90	44	12.61
Ottawa L. H. & P.	Dec. 31	1.52	1.15	20	13.16	16½	10.86
Rolland Paper	Dec. 31	1.37	0.73	17	12.41	15	10.95
G. Tamblyn	Dec. 31	2.06	1.87	28	13.59	27½	13.35
Westeel Products	Dec. 31	3.19	2.31	30	9.40	26	8.15
York Knitting	Dec. 31	1.20	0.64	19	15.83	15¾	13.13

CEDRIC J. CAMPBELL

has been appointed vice-chairman of the Canadian Passenger Association.

Prairie Prov. Farm Mortgage Debt Cut 22%

An indication that farm mortgage debt of the Prairie Provinces has been further reduced by over 20% in 1946 was given by Hon. Stuart S. Garson, premier and provincial treasurer of Manitoba, in his recent budget speech.

The total amount owing to 24 life insurance and trust and loan companies on farm mortgages and agreements for sale was 23% lower at the end of 1946 than in 1945 for farmers in Manitoba and 22% for the three Prairie Provinces as a whole, Mr. Garson states. Compared with the amount owing at the end of 1937, the reduction amounts to 76% for Manitoba and 71% for all the Prairies.

The total number of farmers in debt to these companies in the way of farm mortgages and farm agreements for sale is about 63% lower than at the end of 1937, Mr. Garson states.

Farmers who owed debts to these companies at the end of 1937 have reduced their debts by an even greater percentage, Mr. Garson emphasizes. Figures for the total amount owing at the end of the year include any amount that is owing on new mortgages and agreements for sales entered into during the year. During the last nine years, these companies have disposed of a substantial amount of real estate on which there still are amounts owing under agreements for sale.

The reduction in 1946 on the total amount owing on farm mortgages and agreements for sale to these companies by Manitoba farmers would have been 31% rather than 23% as no new farm mortgages or agreements for sales have been entered into during the year, Mr. Garson states.

Canada Trust Adds To Boards

The business and assets of the London & Western Trusts Co., formally became part of the Canada Trust Co. this week. Cheques totalling over $2 millions were sent out by the Canada Trust to some 300 L.&W. shareholders who received $175 a share for their stock.

Directors of London & Western who accepted invitations to join the main boards of Canada Trust were: W. H. Carter, Winnipeg; Gordon Farrell, Vancouver; Hon. Ray Lawson, London, Ont.; H. R. MacMillan, Vancouver; Rt. Hon. Arthur Meighen, Toronto; John S. Moore, A. E. Silverwood, Col. J. E. Smallman and J. Gordon Thompson, all of London, Ont.

Other important changes include:

Toronto:—Enlarged advisory board will include: John W. Hobbs, chairman; H. E. Cochran, Robert Fennell, R. E. Grass, Margaret P. Hyndman, Rt. Hon. Arthur Meighen, E. A. R. Newson and John Northway. Two offices will be maintained with W. C. James as manager and R. A. Treleaven as assistant manager.

Winnipeg:—Advisory board will be: W. H. Gardner, chairman; W. H. Carter, A. L. Crossin, C. E. Drewry, W. Sanford Evans, Horace Everett, Dr. Gordon S. Fahrni and F. F. Montague. W. Whyte continues as manager with W. A. Bell and W. E. Baxter as assistant managers. (Montague and Baxter were formerly general managers of London & Western in Winnipeg).

The business formerly conducted by the London & Western on Main St., Winnipeg, will continue to be handled at that office for the time being but later will be transferred to the Canada Trust, corner Portage and Fort.

Vancouver: — Enlarged advisory board includes: Gordon Farrell, chairman; G. F. Laing, vice-chairman; J. F. Belyea, E. E. Buckerfield, Brig.-Gen. J. A. Clark, Mayne D. Hamilton, G. S. Harrison, J. P. Malkin, H. R. MacMillan, J. C. McPherson, W. G. Murrin, J. G. Robson, Dr. J. W. Thomson, J. L. Trumbull, and Clarence Wallace. Col. E. B. Westby, formerly manager for the London & Western in Vancouver, becomes manager of Huron & Erie Mortgage Corp. and Canada Trust. L. W. Henry, former trust officer at Canada Trust main branch in London, has been appointed assistant manager.

Victoria:—J. W. Ruggles and G. E. G. Whittaker have been appointed joint managers for Huron & Erie and Canada Trust. Both offices will continue to be operated for the time being.

London: — Main office of London & Western on Richmond St., will be conducted as part of the Canada Trust's main branch in the Huron & Erie Building. John D. Harrison, formerly general manager of the London & Western, has resumed the general practice of law with his former partner, Edward C. Elwood, under the firm name Harrison & Elwood. John Godwin, formerly treasurer of the merged company, becomes executive assistant of the Canada Trust and the Huron & Erie at head office. M. W. L. Murray, former manager of London & Western's main office, and J. A. Blackwell, manager of Canada Trust's main branch, will act as joint managers of main branch.

Saskatoon:—Office of London & Western has been discontinued and B. S. McNiece, former manager, will be assistant manager of Canada Trust, Regina. Business formerly under his direction will be handled from Regina.

Almost the entire personnel of the London & Western Trust Co., in all branches, will continue in the employ of Canada Trust Co., thus ensuring continuity in management for customers and accounts of the London & Western, it is stated.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

SICKS BREWERIES 1946 net profit was up 216% from previous year's retained profit. Sales were up 26.4%; plants operated at practically full capacity, governed at times by availability of supplies and containers.

For the first time, an estimate (approximately $3 millions) is given of market value of the company's investments in several brewing companies in Washington, Montana and Oregon. These investments, held indirectly, represent large minority interests in well-established breweries at Seattle (two), Spokane, Great Falls, Missouri, and Salem. Directors look forward to a substantial revenue from these holdings in the future, it is stated.

A broad program of some $4 millions in improvements and additions in every centre of operations has been launched and machinery is on order for early delivery, for a new bottling department at the Regina plant. Extensive improvements and addition are also planned at the Edmonton and Prince Albert plants. Certain equipment has already been replaced at Lethbridge. At all plants, refrigeration and other machinery is being replaced with modern types. A new plant is contemplated at Vancouver.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings	$4,004,829	$3,011,720
Less: Deprec.	123,995	106,716
Income tax‡	2,166,512	2,363,585
Net profit	1,714,322	541,419
Less: Com. divds.	571,200	476,000
Surplus for year	1,143,122	65,419
‡Incl. refund. EPT	......	396,541
Earnings per Share and Dividend Record:		
Com.:* Excl. ref. EPT	$1.80	$0.57
Incl. ref. EPT	1.80	0.99
Paid (new)	0.40	......
Paid (old)	0.80	2.00

*Based on capitalization after 4 for 1 split, June 1, 1947.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & Dom. bonds	$3,135,363	$2,503,736
Accts. rec.	25,043	41,658
Life ins. c.s.v.	354,211	322,438
Inventories	942,228	882,465
Total curr. assets	4,456,845	3,750,297
Invests.	1,087,948	996,074
Misc. assets▲	960,772	936,417
Fixed assets	3,978,161	3,860,676
Total assets	10,483,726	9,543,464
Total curr. liab.	1,647,036	1,727,883
Deprec. res.	2,228,090	2,228,577
Other res., etc.	505,222	627,098
Capital stock	2,145,293	2,145,293
Surplus▲	3,958,085	2,814,613
▲Incl. refund. EPT	901,361	901,011
Working capital	2,809,809	2,022,414

INDUSTRIAL ACCEPTANCE CORP. 1946 net profit was up 19.3%. As a result of partial revival in the production of motor vehicles, electric refrigerators and other durable consumer goods during the year, net operating revenue was up 12.4%, the highest level since 1941.

With durable consumer goods returning to the market in peacetime volume, directors considered it advisable to sell Campbell Finance Corp. effective Jan. 2, 1946 and Industrial Factors Corp. as at Jan. 2, 1947, with a view to again employing the greater part of company's resources in its primary business of financing installment sales of such goods. A substantial capital gain was realized from sale and the funds formerly employed, plus profit, are now largely available for sales finance activities.

Directors view 1947 with confidence and consider that the company, with its 50 branches and its strong manufacturer and dealer connections, will continue to share importantly in expanding sales finance business.

CONSOLIDATED INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings*	$835,641	$634,965
Less: Loan interest	333,772	196,684
Depreciation	21,710	11,038
Note & deb. int.	79,968	74,898
Income tax res.	146,649	139,889
Net profit	253,542	212,456
Less: Pref. divds.	75,000	75,000
Cl. A divds.	45,786	45,787
Surplus for year	132,756	91,669

*After reserves for losses and contingencies.

Earnings per Share and Dividend Record:		
Pref.: Earned	$16.90	$14.16
Paid	5.00	5.00
Cl. A† Earned	1.95	1.50
Paid	0.50	0.50

†Based on amount paid up on subscribed capital.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1946	1945
Cash	$581,085	$977,727
Accts. & notes rec.	27,056,287	14,236,477
Letters of credit	202,441	264,590
Total curr. assets	27,839,813	15,478,794
Prepaid exps.	67,519	59,748
Staff pens. fund	66,853	77,879
Deb. red. exp., etc.	49,583	29,431
Office equip., etc.*	98,937	37,024
Goodwill	1	1
Total assets	28,122,706	15,682,877
Bank loans	18,741,000	7,870,000
Accts. & tax. pay.	154,544	93,515
Dealers cred. bal.	893,114	807,662
Letters of credit	202,441	264,590
Total curr. liab.	19,991,099	9,035,767
Res. unearned inc.	902,462	497,902
Gen. & conting. res.	556,162	521,380
Funded debt	2,000,000	1,730,000
Capital stock	2,639,293	2,659,293
Earned surplus*	†2,013,690	1,238,535
*After deprec. of	162,563	192,327
Working capital	7,848,714	6,443,027

†Reflects addition of $900,000 profit on sale of Campbell Finance Corp., Ltd., after transferring $290,970 to contingency reserve, and deduction of $214,970 accumulated profit of that co.

HARD ROCK GOLD MINES realized a net operating profit of $41,683 in 1946, but a net loss of $86,392 was reported after inclusion of other income and charging write-offs. A total of $35,554 was also added to deficit account for outside exploration expense written off during the year.

Exploration at the 10th or 1,375-ft. level from the west boundary to 4,300 ft. east of No. 2 shaft has encountered values, but no new ore bodies. Arrangements have been made for MacLeod-Cockshutt, adjoining to the west, to drift into Hard Rock ground at the 1,700-ft. level for a test of the favorable iron formation there. Diamond drilling is also being done on Oklend Gold Mines to the east, under arrangements completed.

A continuation of outside exploration is planned. A group of 45 claims is held in Oakes twp., 15 miles east to Geraldton, on which further work is planned this spring. Groups continue to be held in Vincent twp., Leeson twp. and Baden twps., Ontario, but properties in Midlothian twp. and McNeil twp., Ontario, were abandoned after further work as was a property in Aiguebelle twp., Que.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Bullion prod.	$717,556	$51,565
Less: Oper. exps.	675,873	344,680
Net oper. prof.	41,683	*293,115
Add: Int. recd.	3,501	5,454
Total income	45,184	*287,661
Less: Deprec.	55,650	54,731
Def. devel. w/o	51,383	3,168
Shaft w/o	24,543	4,364
Net loss & deficit	86,392	349,924
*Loss.		
Earnings per Share		
Common	d$0.03	d$0.12
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & bullion	$171,240	$123,732
Govt. bonds	96,853	146,853
Concentrates▲	1	7,648
Mat. & supplies	122,595	96,839
Total curr. assets	390,689	375,072
Prep. & misc.	39,520	30,252
Def. develop.	390,514	478,887
Outside explor. def.	9,150	13,153
Int., Ashmore G. M.	19,028	18,029
Claims & props.	56,542	56,542
Plant & equip.*	330,217	365,228
Total assets	1,235,660	1,337,163
Total curr. liabs.	57,075	37,837
Capital stock	1,594,279	1,594,279
Less: Deficit	415,694	294,953
*After depr. of	782,777	729,388
▲Est. gross value	......	26,756
Working capital	333,614	337,235

OPERATING STATISTICS

	1946	1945
Tons milled	102,766	‡6,337
Aver. recov.	$6.98	*$8.14
Ore reserves, tons	†140,000	215,000
Grade	$6.90	$6.78

*Production includes $16,395 from clean-up in Jan., 1945.

‡44 days. †In addition, free milling reserves are estimated at 12,000 tons of $7 grade.

HOWARD SMITH PAPER MILLS 1946 net profit was up 9.4% from previous year's retained profit. Production and sales established new all-time highs, but the company was unable to satisfy all demands. Pulpwood operations, while higher in cost, were somewhat less difficult, but it is still necessary to take every precaution to keep the mills fully supplied. The lignin plastic plant is now operating on a satisfactory basis, it is stated. Demand for this plant's products are such that it is planned to build a new plant in Montreal. Expenditures on capital account amounted to $1,530,076.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings	$4,896,492	$3,791,608
Less: Depr. & depl.	1,507,505	1,400,758
Bond interest	110,000	132,981
Research exp. w/o.	109,198	80,058
Inc. tax res.‡	1,337,103	1,079,307
Pension fund	177,531	......
Conting. res.	250,000	......
Inventory res.	230,518	15,620
Net profit	1,184,637	1,082,884
Less: Subs. pref. div.	......	120
H. Smith pf. div.	358,794	430,218
Common divs.	332,836	332,836
Surplus for year	493,007	319,710
‡Incl. refund. EPT	......	66,308
Times Interest Earned:		
Before depr. & depl.	44.51	28.51
After depr. & depl.	30.81	17.98
Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$7.40	*$15.10
Incl. ref. EPT	7.40	*16.02
Paid (new)	1.29	....
Paid (old)	2.12½	6.00
Com.: Excl. ref. EPT	2.48	1.96
Incl. ref. EPT	2.48	2.16
Paid	1.00	1.00

*Old 6% pref. stock.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & Dom. bds.	$2,072,670	$2,034,683
Accts. rec.	3,619,075	3,320,123
Inventories	5,636,689	5,041,327
Total curr. assets	11,328,434	10,396,133
Life ins. c.s.v.	68,998	62,655
Misc. assets & invest.▲	664,700	757,076
Fixed assets	30,397,246	29,139,287
Total assets	42,459,378	40,355,151
Bank loans	10,000	......
Accts., tax., etc., pay.	2,840,389	2,491,050
Total curr. liab.	2,850,389	2,491,050
Funded debt	3,200,000	3,600,000
Minor. int.	2,135	2,192
Reserves:		
Depr. & depl.	17,866,424	16,614,835
Contingencies	323,200	95,750
Inventories	1,248,012	1,014,016
Capital stock	9,013,459	8,183,759
Capital surplus	587,828	585,055
Earned surplus▲	7,367,931	7,768,494
▲Incl. refund. EPT	286,482	284,936
Working capital	8,478,045	7,905,083

GAYMONT MINES says that hole No. 15, angled to cross the sulphides at 450 ft. vertical, has cut the area of enrichment from 500 to 550 ft. core depth. The core appears to contain heavier sulphides than previously cut, the company reports.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

THAYERS LTD. 1946 net profit was up 62%. Improvement in gallonage and profits during last half of 1945 was well maintained last year, it is stated. Dealer organization has been considerably expanded. Substantial expenditures have been made in improvement of service stations, trucks, modernizing of pump equipment, etc. Further heavy expenditures are still necessary to bring about maximum improvements in buildings and equipment. Prospects for 1947 are reported encouraging.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Sales	$1,280,894	$1,064,139
Net profit	46,195	28,495
Less: Pref. divds.	23,713	18,970
Surplus for year	22,482	9,525
Earnings per Share and Dividend Record:		
Pref.: Earned	$4.87	$3.00
Paid	2.50	2.00
Common: Earned	0.26	d0.09
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & neg. secur.	$292,340	$328,764
Accts. rec.	96,839	71,799
Inventories	36,090	34,360
Total curr. assets	425,169	434,923
Prep. exp.‡	1,784	1,687
Misc. assets	19,858	5,800
Fixed assets	688,638	612,959
Leases, contracts	94,654	94,654
Total assets	1,230,168	1,140,923
Total curr. liab.	119,244	77,689
Reserves	503,764	475,772
Capital stock	537,882	537,882
Surplus	79,213	58,680
‡Incl. in curr. assets in co's report.		
Working capital	305,925	347,334

CANADA MALTING CO. 1946 profit was up 27.7% from previous year's retained profit, substantially decreased tax provision more than making up for a $572,670 reduction in net earnings. Increasing operating costs and a further falling off in quality of available barley, largely accounted for a decline in operating profits.

Domestic malt sales were highest in company's history and necessitated curtailment of export shipments, which were lower than in previous year. Increased bank advances reflect larger inventories and capital expenditures made during the year. The latter include additions to the Calgary malthouse and elevator, and purchase of a 2.5 million bushel elevator at Port Arthur, where a new malthouse is under construction. The elevator cost $750,000. It is expected that the Calgary addition will be in operation by April, 1947, and the Port Arthur malthouse before the end of the year.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings	$1,335,291	$1,907,961
Less: Deprec.	298,514	267,580
Inc. tax res.‡	384,430	1,058,627
Net profit	652,347	581,754
Less: Dividends	497,430	497,430
Surplus for year	154,917	84,324
‡Incl. ref. EPT	......	131,785
Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$3.28	$2.92
Incl. ref. EPT	3.28	3.59
Paid	2.00+0.50	2.00+0.50

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash	$9,264	$1,804
Investments†	574,616	1,177,158
Accts. rec.	662,607	585,517
Inventories	4,622,515	3,833,566
Total curr. assets	5,869,002	5,598,045
Misc. assets‡	774,157	628,586
Fixed assets*	3,940,330	3,800,272
Total assets	10,583,479	9,026,905
Bank adv.	1,816,104	86,858
Accts. & tax. pay.	734,050	1,059,639
Total curr. liab.	2,550,154	1,146,497
Invent. res.	200,000	200,000
Capital stock	4,441,960	4,441,960
Capital surplus	797,676	797,676
Earned surplus‡	2,593,689	2,438,772
*After depr. of	3,857,166	3,559,252
†Market value	819,833	1,577,548
‡Incl. ref. EPT	465,639	465,639
Working capital	3,318,848	4,449,548

ALUMINUM CO. OF CANADA 1946 net profit was up 2.6% from previous year's retained profit. During the year the company redeemed 150,000 5% cumulative redeemable sinking fund preferred shares of $100 par and issued 600,000 4% cumulative redeemable sinking fund preferred shares of $25 par, with facilities provided for an exchange of shares. Working capital at year end was down $4,401,227 at $63,997,189.

CONSOLIDATED INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Oper. profit	$26,134,863	$25,688,541
Add: Other income	1,119,194	867,007
Net earnings	27,254,057	26,555,548
Less: Int. on debt	2,936,458	3,464,242
Normal depr. & depl.	5,342,430	5,213,954
Inc. & EPT taxes‡	7,896,541	6,707,303
Amort. exp. of pf. shs.	354,232	......
Add: Asset prof.	224,026	421,927
Note princ. abate.	631,815	......
Net profit	11,581,237	11,591,776
Less: Pref. divds.	637,500	750,000
Com. divds.	13,350,000	9,000,000
Deficit for year	2,406,263	*1,841,776
‡Incl. ref. EPT	......	33,613
*Surplus.		
Earnings per Share and Dividend Record:		
Pf.: Excl. ref. EPT	$19.30	†$77.28
Incl. ref. EPT	19.30	†77.50
Paid	0.75	......
Paid (old)	1.25	5.00

†Old stock.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & govt. bds.	$43,166,618	$62,161,927
Accts. rec.	13,814,069	7,846,167
Inventories	23,454,720	16,270,914
Less: Prep. sales	......	5,858,903
Total curr. assets	80,435,407	80,420,105
Inv. in affil. co.	3,687,499	3,687,499
Misc. assets▲	3,260,782	2,841,627
Fixed assets*	106,674,915	106,824,880
Total assets	194,058,603	193,774,111
Accts. & tax. pay.	16,288,218	11,834,189
Pref. div. pay.	150,000	187,500
Total curr. liab.	16,438,218	12,021,689
Funded debt	108,916,271	110,068,320
Adv. pyt. on contrs.	......	1,630,561
Other res.	897,266	3,827,764
Capital stock	30,000,000	30,000,000
Surplus▲	†37,806,848	‡36,425,777
*After depr. of	221,023,811	217,323,969
▲Incl. ref. EPT	629,915	630,057
Working capital	63,997,189	68,398,416

†Reflects credit of $1,929,448 res. for invent. depr. no longer required, and pension plan approp. of $504,429.

‡Reflects prior year credit adjust. of $787,475 and inventory reserves of $3,000,000, no longer required.

ST. LAWRENCE CORP. 1946 net profit was $287,476 ($286,756 in 1946). Holdings of St. Lawrence Paper Mills common stock were increased from 510,639 to 512,749 shares, and holdings of Brompton Pulp & Paper common from 298,934 to 298,959 shares.

Main interest of report are comments of directors regarding prospects of reorganization of the corporation and the improved position of two of the operating subsidiaries.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1045
Brompton divd.	$298,,953	$298,506
Less: Expenses	11,477	11,750
Net profit	287,476	286,756
Less: Pref. divd.	264,047	263,600
Surplus for year	23,429	23,156
Earnings per Share and Dividend Record:		
Pref.: Earned	$1.09	$1.09
Paid or payable	1.00	1.00
Com.: Earned▲	d0.41	d0.41
None paid.		

▲After full year's pref. divd.

GENERAL BALANCE SHEET

As at Dec. 31:	1946	1945
Cash	$40,619	$17,190
Subs. divd. rec.	74,740	74,733
Invests.*	15,015,073	15,011,713
Furn. & fixt.	1	1
Total assets	15,130,433	15,103,637
Divd. pay.	66,013	66,000
3½% debent.	300,000	300,000
Capital stock	13,784,874	13,781,514
Capital surplus	895,086	895,086
Earned surplus	84,460	61,031
*Consisting of shares of:		
St. Law. P. Mills	512,749	510,639
Brompt. P. & P.	298,959	298,934

OTTAWA ELECTRIC RAILWAY CO. 1946 net profit was up 242% from previous year's retained profit, reduction of $369,033 in income and excess profits tax being main factor. Gross income was up $41,500, and operating expenses rose $86,532.

Passengers carried reached a company record of 61,824,536 (60,376,356.) Capital expenditures amounted to $482,895.

Application has been made for authorization to subdivide the present shares of capital stock in the ratio of four shares of new stock for one old.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings	$1,302,740	$1,348,077
Less: Deprec.	281,152	251,508
Bond interest	58,800	64,400
Other fin. exp.	......	2,689
Inc. & cap. tax‡	535,502	904,535
Net profit	427,286	124,951
Less: Dividends	140,788	70,394
Surplus for year	286,498	54,557
‡Incl. refund. EPT	......	163,750
Times Bond Interest Earned:		
Before deprec.	22.16	20.93
After deprec.	17.37	17.03
Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$12.14	$3.55
Incl. ref. EPT	12.14	8.20
Paid	4.00	2.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & Dom. bds.	$1,135,681	$1,125,859
Accts. rec.	161,264	173,830
Wkg. cash & stores	339,716	336,305
Total curr. assets	1,636,661	1,635,994
Misc. assets▲	590,285	572,350
Fixed assets	7,639,760	7,322,359
Total assets	9,866,706	9,530,703
Total curr. liab.	469,003	456,708
Funded debt	1,260,000	1,400,000
Reserves: Deprec.	4,775,211	4,639,613
Unred. tickets	165,000	165,000
Injur. & damag.	25,000	25,000
Capital stock	1,377,800	1,377,800
Surplus▲	1,784,596	1,466,483
▲Incl. refund. EPT	572,350	572,350
Working capital	1,157,658	1,179,286

CLAUDE NEON GENERAL ADVERTISING 1946 net profit was up sharply at $19,855 ($4,051). Although gross revenue showed substantial increase it was not as much as anticipated, due to inability to obtain materials necessary to fill orders on hand. It is hoped, however, that the required supplies will soon become available, which will make possible further improvement.

The company's income tax problems have not been entirely disposed of and directors feel reorganization plans should be deferred until they are.

▲CONS. PROFIT AND LOSS ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings	$106,190	$80,443
Less: Deprec.	61,896	61,754
Bond interest	11,802	11,803
Income taxes	13,237	3,034
Net prof. & surp. for yr.	19,855	4,051

▲Excluding accounts of E. L. Ruddy Co. Ltd.

Times Bond Interest Earned:		
After depr.	3.85	1.81
Earnings per Share and Dividend Record:		
Pref.: Earned	$0.84	$0.17
Common	d0.34	d0.38
None paid on either stock.		

▲CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1946	1945
Cash	$29,791	$31,178
Accts. rec.	41,811	49,388
Inventories	58,672	51,083
Total curr. assets	130,274	131,649
Invest. in subsid.	975,230	937,843
Misc. assets	150,232	148,136
Fixed assets*	332,305	377,030
Total assets	1,587,942	1,594,658
Accts. & tax. pay.	128,819	164,553
Accr. bond int.	229,919	218,316
Total curr. liab.	358,738	382,869
Funded debt	178,500	178,500
Capital stock	2,785,094	2,785,094
Deficit	1,734,390	1,761,805
*After depr. of	518,622	476,757
Deficit work. capital	228,464	251,220

▲Excluding accounts of E. L. Ruddy Co. Ltd.

NATIONAL DRUG & CHEMICAL CO. 1946 net profit was up 63% from previous year's retained profit. Sales volume was higher and although this resulted in somewhat higher operating expenses, the ratio to sales was maintained at a satisfactory level. Ratio of current assets to liabilities at year end was 2.92 to 1 as compared with 2.55 to 1 a year before.

CONSOLIDATED INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Gross profit	$931,397	$897,791
Less: Depreciation	38,565	38,119
Pens. fund	97,802	......
Taxes†	366,488	593,101
Minority int.	17,656	8,847
Add: Invest. prof.	9,125	......
Net profit	420,011	257,724
Less: Divds.	207,089	......
Surplus for year	212,922	......
†Incl. ref. EPT	......	88,631
Earnings per Share* and Dividend Record:		
Pref.: Excl. EPT	$1.72	$1.05
Incl. EPT	1.72	1.41
Paid	0.15	......
Paid (old)	11s. 7d.	6%
Common: Excl. EPT	1.09	0.44
Incl. EPT	1.09	0.80
Paid	0.17	......
Paid (old)	0.14	0.30

*Based on present capitalization.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & Dom. bds.	$408,100	$660,590
Accts. rec.	1,065,465	1,061,573
Due by subsids.	......	......
Inventories	3,080,707	2,560,119
Total curr. assets	4,554,272	4,282,282
Misc. assets▲	345,146	349,434
Inv. in subsids.	556,976	606,976
Fixed assets*	791,278	880,740
Goodwill, etc.	200,610	202,220
Total assets	6,448,284	6,421,652
Bank loan	39,832	280,306
Accts., tax., etc., pay.	1,520,943	1,460,158
Total curr. liabs.	1,560,775	1,730,888
Def. liab.	12,840	......
Min. int.	96,435	82,416
Cont. res.	95,623	102,208
Capital stock	2,476,175	2,476,170
Capital surplus	425,152	501,022
Earned surplus▲	1,771,284	1,549,280
▲Incl. ref. EPT†	256,363	260,625
†After min. int.	11,559	11,632
‡Incl. ref. EPT	267,922	272,258
*After depr. of	624,605	633,857
Working capital	2,993,497	2,551,736

MERCURY MILLS 1946 net profit was up 73.6% from previous year's retained profit. Certain types of raw materials still in short supply, as well as lack of sufficient skilled labor, make it impossible to maintain maximum production, it is stated.

Moderate price increases were granted by WPTB effective April 1, 1946, and a further increase became effective Mar. 1, 1947, following removal of most of the subsidies on raw materials.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings	$633,782	$491,926
Less: Depreciation	60,622	65,433
Bond interest	26,335	37,875
Inc. tax res.‡	280,000	245,000
Net profit*	266,785	153,628
Less: Divds.	89,757	75,576
Pension prov.	25,000	10,000
Surplus for year	152,028	68,052
‡Incl. ref. EPT	......	23,000

*Note: Co.'s report incls. ref. EPT in net profit and surplus for year.

Times Bond Interest Earned:		
Before deprec.	24.03	17.65
After deprec.	21.73	15.30
Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$2.82	$1.62
Incl. ref. EPT	2.82	1.92
Paid	0.95	0.80

COND. CONS. BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & Dom. bonds	$188,402	$452,882
Accts. rec.	540,465	420,823
Inventories	1,527,868	1,176,719
Total curr. assets	2,256,735	2,050,386
Prep. fire ins.‡	11,072	12,361
Misc. assets▲	55,766	54,980
Fixed assets*	1,247,622	1,216,408
Total assets	3,571,195	3,334,145
Total curr. liab.	547,237	483,546
Pension res.	60,000	35,000
Conting., etc., res.	226,686	226,686
Funded debt	700,000	750,000
Capital stock	1,128,167	1,128,167
Capital surplus	96,237	88,540
Earned surplus▲	811,636	624,094
*After deprec. of	2,100,750	2,148,355
▲Incl. ref. EPT	52,776	48,979
‡Incl. in curr. assets in co.'s report.		
Working capital	1,709,498	1,566,840

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by L. O. Hooper

The material upon which this address was based has particular reference to American stocks, but is equally applicable to Canadian. We believe this booklet will clarify a number of misconceptions about stocks and prove of value to investors.

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Has the U. S. Learned?

Has the United States really learned that isolation is impossible? President Truman has now declared that America will act in the cause of freedom everywhere. Is that a Democratic party policy or a platform on which the giant body of American opinion does stand and can be depended to continue standing?

Those questions inevitably creep through Canadian minds. Inevitably Canadians wonder what might happen today's U.S. foreign policy after the Presidential elections.

Senator Taft, potent Republican, voted against U.S. selective service, lend-lease, the transfer of Axis ships to Britain, draft extension, revision of the Neutrality Act and virtually every other interventionist measure. Early in the war he declared, "War is even worse than a German victory." Later, he advocated a negotiated peace even "with Hitler domination on the Continent." "It is England's war," he said, "They started it."

According to the distinguished U.S. historian Arthur M. Schlesinger, Jr., writing in Collier's, "There is no evidence that (Taft) has changed these views."

What influence Taft and those of similar views may have in U.S. affairs in coming years is of course unpredictable.

The most reassuring set of facts we have been able to find to support the hope and belief that America will try to live up to the vast world responsibility which greatness thrusts upon her is this:

America is now too deeply entrenched in world affairs to withdraw even if her isolationists might wish to do so.

Here is the current picture as sketched by United States News:

In Greece, the U.S. has a $500 million investment which has to be backed up or lost to Russia.

In Iran, U.S. advisors are helping to guide things with U.S. backing.

In Saudi Arabia, U.S. oil companies are investing heavily and American participation in affairs there is increasing.

Into China, U.S. has put $2,000 millions directly. America won't want Russ domination of China any more than Jap domination.

In Korea, the U. S. is making a big investment.

In Japan, the U.S. is absolute boss of 70 million Japs.

In Philippines, the U.S. is keeping its military bases and retaining property and business rights though retiring from political rule.

In the Pacific, U.S. is keeping control of strategic islands.

In Western Europe, the U.S. is in Germany, Austria and Italy after fighting two wars to keep Europe from German domination. "It is hardly to be expected that (U.S.) now will pull back to let Europe be dominated by Russia instead."

Say U.S. News: "People may shudder when they think about it all, but they're in so far that there is no chance now to pull back into the home shell, no chance to do anything much but try to figure out how to run a badly damaged world."

Millions For What?

Since 1935 the Dominion Government has spent almost $1.5 millions on Royal Commissions, according to a report tabled in Parliament. Most costly of these were the following:

Rowell-Sirois, Dom.-Provincial relations	$365,653
Carroll, coal	282,374
Turgeon, textiles	173,335
McDougall, taxation of co-operatives	137,659
Turgeon, grain	144,240
Archambault, penitentiaries	108,719

The government spokesman called upon to supply those figures faced no great difficulty. Had he been asked to make an estimate of the value received, however, it would have been a different story.

Undoubtedly much useful, perhaps some vital information, has been unearthed by these Royal Commissions. In a few cases, too, such as that of the Ives Commission on taxation of government annuities and family corporations, remedial government action followed fairly promptly.

But that was an exception. In the great majority of cases there is simply a long and expensive public investigation, a long delay, followed by a long report, which few people read. By this time the public has lost most of its interest in the matter under investigation and, after a decent interval, the report is filed away in some dusty pigeon hole and forgotten. And this sort of thing goes on in each of the provinces as well.

There is a growing suspicion that members of parliament and the provincial legislatures have been using the Royal Commission device to dodge responsibilities and work that should be shouldered by themselves. When some problem comes up that affects all citizens regardless of party affiliation, something like coal, milk or taxes they pass it along to a commission. There is no reason why a small parliamentary committee couldn't handle a lot of these matters more quickly and cheaply and, though this may not appeal to the politician, while the public is still interested.

Why They Dock Our Dollar

With their dollar "officially" at par, many Canadian visitors to U. S. border points have wondered why their money is still substantially discounted and sometimes actually refused. It is the old, old story of supply and demand, plus some over-simplified publicity when Ottawa made its "at par" announcement early last summer.

Actually it is only possible to get the official or "at par" rate on international transactions approved by Canada's Foreign Exchange Control Board, and that approval may only be granted sparingly. Charged with conserving the billions of American money invested in Canada, FECB is not particularly concerned with the trickle of loose Canadian currency that is spent in the United States.

Legally, of course, these Canadian dollars are worthless once they cross the border. The storekeeper in Buffalo, or the hotel proprietor in Detroit, is under no more obligation to accept our currency than he is to take Russian kopecks. He only does it as a favor and in the hope that he or his bank will be able to find a buyer for it, either directly or on the open market in New York.

The bulk of Canadian dollars that turn up at U. S. border points are usually bought by Americans on their way to visit Canada. Right now with little tourist business, there are not many of these visitors, hence less demand for Canadian dollars, hence a discount on the free market of anything up to 7%. But that discount, of course, has nothing to do with financing trade or any other international transactions approved by our Foreign Exchange Control Board; it applies only to actual Canadian dollars that are accepted within the United States.

How Would They Save?

Political parties in a democracy will always have the problem of making friends and influencing people. But a political party certainly doesn't serve Canada well—nor in our opinion itself—when it tries to bamboozle the electorate with dishonest doubletalk.

A recent Progressive-Conservative party conference offered Canadians an obvious impossibility. They said they would spend more money—a great deal more money—and at the same time taxes would be reduced.

PC's favored raising old age pensions, increasing farm floor prices, more generous treatment for veterans, higher income tax exemptions, no radio license fee and a long list of other things.

A rough calculation of the effect of PC plans indicates that the national treasury would be half a billion dollars worse off than it is today. And that's only part of the story because it calculates only the calculable and doesn't make allowance for the cost of other promised benefits, details of which are as yet not indicated.

The PC's are repeating the fiscal hocus pocus of their meeting a year ago when we said:

It is sheer nonsense to promise in the same breath big tax cuts *and* big increases in government spending. It is just irresponsible to set down a long list of grandiose expenditures and to foster the already rampant delusion that government has some magic pool of money to draw upon for bestowing painless pleasures on the voters . . . It's time the Pro-Cons figured out the basic political beliefs for which they stand. Attempts to be all things to all men never succeed. With taxes as they are today, the old political hocus pocus of trying to win power by promising to spend more money than the opponents won't work.

Those sentiments of a year ago we reiterate.

Scenery is Not Enough

During the first week in May government travel bureaus throughout Canada are combining in a special educational campaign. The purpose is twofold, first to impress on the public the value of our mounting tourist trade, second the necessity of better catering and accommodation for visitors. Both points are important but especially the second.

Last year, it is estimated, tourists spent well over $200 millions in Canada and this figure could be multiplied several times if accommodation was adequate. Simply boasting about our great resources in scenery, fresh air and game is not enough. Unless we are prepared to provide our visitors with good transportation, good meals and good beds we might as well forget about the rest.

In this business we are competing with experts and some of them, like the northern tier of states, across the line, we may as well admit, have scenery, air, game and even police uniforms, remarkably like our own. That puts almost the whole burden of attracting American visitors here on the type of service we are prepared to offer. These visitors are the most generous spenders in the world but for their money they expect and deserve something better than greasy food, lumpy mattresses and outdoor plumbing.

Easy Money

Amendments passed by the Saskatchewan Legislature this session give cities and towns in that enlightened province the power to acquire and operate bakeries, service stations, dairies and places of amusements. This good-will gesture on the part of the provincial authorities, Municipal Minister J. H. Brockelbank explains blandly, will enable municipalities to obtain new revenue to provide additional services.

Sure, sure.

And if that doesn't provide enough money, what's to prevent the Legislature adding to the list next year. There must still remain a few privately owned grocery stores, and the local newspaper, perhaps. The only catch, of course, is that after all the business in town has been socialized, who will be left to pay the regular taxes?

New Hope for Building

Hopeful light is thrown on the municipal by-law impasse in a Maclean's magazine article by W. Bruce MacKinnon and John Caulfield Smith. The study outlines with new clarity the tangle of ill-assorted and often outdated local codes shackling progress in building techniques for better, cheaper housing.

But, it suggests, the tangle isn't hopeless. Substantial gain is seen in recent liberalization of the National Research Council's National (model) Building Code, suggesting use of a wide range of new materials and prefabrication methods where adequate performance can be demonstrated. And there is another ray of hope in evidence that at least some municipalities have moved or are moving to use the national code as a model in sweeping the cobwebs of archaic restrictions and standards out of their own.

The study develops the line of argument offered by The Financial Post for many years in editorials, news stories and analytical articles pointing the way to substantial savings in framing, walls, roofs, finishes and equipment which will be available to the average Canadian house as soon as the local codes are brought into line with new materials, construction standards and indoor assembly techniques.

It is good news that the small number of municipalities modernizing their by-laws is on the increase; not good that they remain so few. If we could make a grand sweep it wouldn't be long before backward elements in the construction industry itself were looking at an undreamed of market and saying: "Why didn't we push this before?"

Post Scripts

Moves Up in Dunlop

The recent appointment of William Ralph Walton Jr. as assistant general manager of Dunlop Tire & Rubber Goods Co. is another example of industry and ability bringing its own reward.

MR. WALTON

Born in Toronto in December 1903, quiet unassuming Bill Walton was educated at Rosedale Public School, University of Toronto Schools and School of Practical Science, University of Toronto.

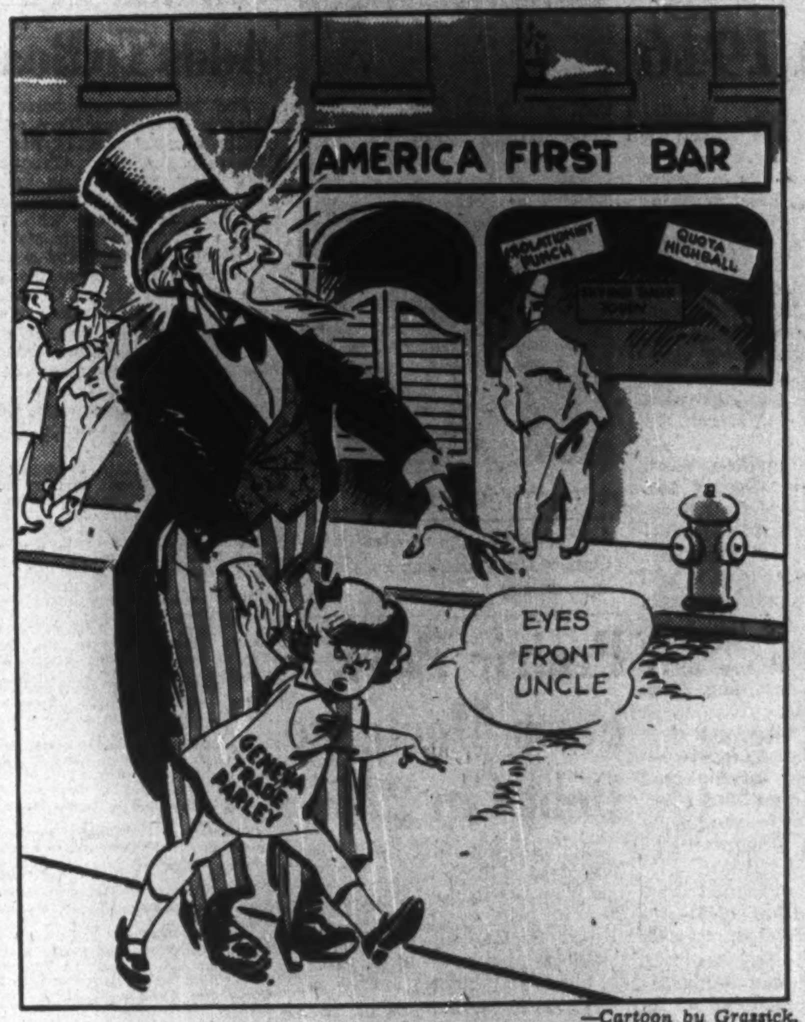
On graduating in 1924, he joined the paint and varnish division in Toronto of Canadian Industries Ltd. Early in 1929 Walton was sent west to be in charge of the Regina plant where he remained until late in 1931.

With the assumption of a more active part in the Dunlop management by C.I.L., Walton was transferred to Dunlop Tire. After a few months during which he acted as assistant to J. I. Simpson, he was appointed works manager in the middle of 1932.

In March 1940 he was elected a director and this year appointed assistant general manager. In April 1939 Walton was elected a director of Canadian Lastex Ltd., which is 50% owned by Dunlop.

While in Regina, Walton met and married Dorothy McKenzie of Swift Current, Sask. They have a 13½ year old son who is now at Lakefield Preparatory School. Mrs. Walton is widely known as a badminton player having won both the Canadian and world championships.

Walton used to play badminton and golf and is a member and past president of the Carlton Club, Toronto. But his chief interest is in his son and his new home at Oakville, Ont., which has 4½ acres of grounds. This has a row of spruce trees on two sides, an orchard and a garden which will give Walton lots of opportunity to extend the experience he gained from his Toronto victory garden during the war.



—*Cartoon by Grassick.*

HAS HE REALLY SWORN OFF?

Ontario Hydro Chief

A man with a wide and varied experience in engineering, Richard Lancaster Hearn becomes general manager and chief engineer of the Hydro-Electric Power Commission of Ontario under the new reorganization. Hearn has designed, contracted for and constructed nearly every type of building, except a skyscraper.

Born in Toronto in 1890, smiling, gray-haired, friendly, Dick Hearn was educated at St. Albans Cathedral School and University of Toronto. His father was a Toronto physician.

On graduation as Bachelor of Applied Science in 1913, Hearn spent some months with Dominion Bridge Co. in Montreal. In Dec., 1913, started with the Ontario Hydro as designing engineer and five years later was made assistant engineer on construction. During the whole of this period he worked under the late Dr. H. G. Acres, and Dr. T. H. Hogg.

In 1921 Hearn left Ontario Hydro to become assistant chief engineer of Washington Water Power Co., Spokane, Wash. His duties then involved administration work as well as engineering.

In 1924 Hearn returned to Canada to become chief engineer and secretary-treasurer of H. G. Acres & Co., well-known consulting engineers, Niagara Falls, Ont. Six years later he became consulting engineer for Dominion Construction Co. and H. F. McLean Ltd. In 1934 he was appointed chief engineer. While there he was responsible for directing and supervising the Abitibi Power development in northern Ontario.

In May, 1942, Hearn returned to Ontario Hydro as Executive Assistant to Dr. T. H. Hogg, but in June, 1942, was loaned, at the request of the Dominion Government, to Polymer Corp. as chief engineer to supervise and co-ordinate its engineering and construction. Returning to Hydro again in January, 1944, Hearn was appointed chief engineer of design and construction in January, 1945, and now becomes its chief operating executive.

One of Hearn's early aims was to obtain a balanced experience between the designing, construction and management fields of engineering—an objective which he achieved.

Budget Worker

Stewart W. Christie recently appointed deputy provincial treasurer of Manitoba has had long training in his department. For 20 years he was assistant to the late Ralph Pearson who in public service circles was ranked as one of the outstanding deputy treasurers of any of the provinces. He knows the ins and outs of Manitoba finance in bad times and good and has worked under five ministers in his department.

MR. CHRISTIE

Born in the town of MacDuff in Banffshire, he came from Scotland to western Canada in 1898, taking his first position as an accountant with the Imperial Elevator and Lumber Co. In speech, habit, and personal caution, he is still as Scottish as the day he arrived and when he started a home in Winnipeg he insisted on picking a street with a Scottish name.

Christie is of medium height and weight, graying hair, and a low modulated voice which rarely changes in tone or pitch. Two years after outbreak of World War One he enlisted. He returned to Canada and was discharged from the army in August, 1919.

After a few months at odd jobs he entered the Manitoba civil service, starting as chief clerk in the office of comptroller-general in 1920, two years before the Bracken government came into power. Soon after he was promoted to the post of assistant comptroller-general, the first to ever have this position in Manitoba. He was made assistant deputy provincial treasurer in 1923 and until his recent appointment occupied this position.

He takes his new job in a year when his minister has just introduced the biggest expenditure budget ever asked by a Manitoba government, more than nine and one third millions higher than last year which, up to that time, was a record. Christie as assistant deputy did much of the work in preparing the estimates, knows where the money is to be spent, where the province expects to get it.

Christie's hobbies are growing gladiolus and touring. He has motored across Canada and the United States but likes the Canadian prairies best of all.

He married an English girl in 1916 who tries to keep a household budget which on a small scale is modelled after the kind her husband prepares for his minister. Stewart Christie thinks this is right procedure because if it works well for a province, he says it should work equally well in a home.

Stop Me If—

"Sir, you poked your umbrella in my eye!"

"Pardon me, but I did not. This umbrella belongs to a neighbor of mine named Postlethwaite."

* * *

The teacher was giving the class a lesson on gardening.

"Now who can tell me what a herbaceous border means?" she asked.

There was a pause, then a small voice said: "Please, miss, it's a lodger who doesn't eat meat."

* * *

"My good man," said the missionary to the African chief, "it is wrong to have more than one wife. Tell all your wives except one that they can no longer look upon you as their husband."

After a moment's reflection the chief replied: "You tell them!"

* * *

Driver's License Examiner: "Do you know what it means if a driver puts out a hand?"

Applicant: "Well, if it's a woman, it means she is going to turn right or left, shake the ashes off her cigarette, or reverse or stop, or she's pointing to a hat store, or admiring her ring, or——"

Examiner: "Yeah, and if it's a man?"

Applicant: "Why, he's usually waving at a woman."

Why Our Housing Costs So Much

Restrictions, Private Tariffs and Feather Bedding All Boost Bill

A staggering series of restraints and private protective tariffs are robbing Americans of homes they can afford, Thurman Arnold tells fellow citizens in Look magazine. Mr. Arnold, former U. S. Assistant Attorney General and No. 1 "Trust Buster," describes conditions which exist in Canada in lesser degree. Briefed below is his main argument.

Why can't we have houses like Fords? For a long time, we have been hearing about mass production of marvellously efficient postwar dream houses, all manufactured in one place and distributed like Fords. Yet nothing is happening. The low-cost mass production house has bogged down. Why?

The answer is this: When Henry Ford went into the automobile business, he had only one organization to fight. This organization had a patent which seemed to cover the whole idea of an automobile. Ford went to court, won a suit, and had a clear field ahead.

But when a Henry Ford of housing tries to get into the market with a dream house for the future, he doesn't find just one organization blocking him. Lined up against him are a staggering series of restraints and private protective tariffs.

At the threshold of this blockade are the labor organizations. They occupy this front position because, unlike most of the other types of restraint, labor has complete immunity under the antitrust laws.

It is this immunity which creates the problem. Henry Ford could go into court against the automobile association. But the Henry Fords of housing can't go into court against a labor organization.

It is also this immunity which raises the cost and lowers the quality of houses. Because of the Supreme Court ruling, hod-carriers can prohibit the use of ready-mixed concrete. Electrical workers can refuse to install ready-made equipment until the wiring is ripped out and put in again. Builders can be denied the use of mail-order-house plumbing. Spray-gun painting can be prohibited.

The list can be extended. But the point is this: The Henry Fords of housing can't get started as long as the law gives, in effect, immunity to organized drives to preserve obsolete methods and prevent mass production.

We won't get houses like Fords simply by removing labor restrictions. A house is a tangle of goods and services, all contributing to block mass production. And it is hard to say which is the worst obstacle because the situation differs in different cities.

The Antitrust Division, investigating the housing industry, discovered that some building material producers were fixing prices either through private arrangements or through trade associations. It found that the patent racket was widely used within the industry; that patents were used to control prices, to control sales methods, to limit the amount of certain products and to gain control of unpatented products.

It discovered restrictive practices within the distributing field. Some material distributors were trying to raise the price of their services by secretly agreeing on price markups. Others were trying to make sure that all business passed through their hands, and that no new methods were introduced on which they could make no overcharge.

Their weapon was the boycott. Some manufacturers had to pay the distributor a commission even when the customer bought direct from the manufacturer.

The Antitrust Division found also that some contractors tried to get their share of the pie by forcing low bidders to raise their bids or withdraw. Or they tried to keep all contracting work for themselves by refusing to use material bought from any source except themselves.

Labor assisted in this game. It frequently permitted itself to be used as a strong-arm squad by refusing to supply labor when the contractors' ring wanted it withheld.

On top of all this, the Henry Fords of housing must fight the lobbies. They gang up on city councils to put through legislative restraints on the industry. Many building regulations are nothing more than protective tariffs. Licensing and registration of contractors have become a means of keeping price-cutting contractors in line. Fire and health requirements have become legal boycotts to choke off competition.

Finally, there is real estate speculation.

Housing today is our number one economic problem. It levies a tax on the home builder, and it levies a tax on all industry because it is the first charge against every consumer's dollar. This means that if you want to sell more soap, or cosmetics, or travel, or anything else, you must first reduce the tax an obsolete industry puts on housing.

A free market for mass production in housing will do more than any one thing to raise our standard of living. We can get that market only if government has both the authority and the will to see to it that the highways—over which mass production of houses reaches the consumer—are free.

What Others Are Saying

Editorial of the Week

Canada Must Move One Way

Vancouver Province

A Dominion Bureau of Statistics report notes that more people are living in the cities, a trend toward urbanization that is accompanied by a declining birthrate, and contrasts the density of population in the Canadian provinces with that in European countries. Although there is no conclusive evidence of whether any of the provinces are underpopulated or over-populated the fact is clear that Canada's population can be heavily expanded.

The various interests throughout the country which have been pressing for an immigration policy receive the strongest support from the bald statistical picture. The cold figures, tables, charts and conclusions can not be denied nor thrust aside on any grounds of partisanship.

Canada, during the war built up a great industrial machine. Wartime demands kept it going at capacity but the fact that is now made clear is that the domestic demand is not comparable to the war demand. The domestic market must be enlarged, there must be more consumers, if the new industrial machine is to be fully occupied.

The Dominion must move. It must go forward or backward. The birthrate is declining and there is a heavy migration out of the country.

Only by an increase in the birthrate and the admission of immigrants can the population be increased and the domestic markets expanded.

Other People's Views

NEVER A SMALLER MOUSE from a bigger mountain, comments the **Swift Current Sun** on the official disclosure that "only 388 persons in the whole of Canada had taken out citizenship certificates under the greatly publicized new Citizenship Act."

TAX EVADERS deserve what they are going to get, says the **Brockville Recorder and Times**, adding that "there will be little sympathy for them on the part of their fellow-citizens, whom they have cheated and robbed, when they are put behind the bars."

THERE WOULD BE FEWER STRIKES, remarks the **Saint John Times Globe** "if grown-ups had a better grasp of economics, for many strikes are bred by lack of understanding of the relationship among costs, prices and output. The place to start educating the citizens is in the schools, among the future citizens, for a large proportion of men and women have little opportunity or inclination to learn after they bid their classrooms good-bye."

GENEVA ALONE CANNOT SOLVE world trade troubles unless the governments of the countries concerned back it up, points out the **Ottawa Journal.** "The conference is not an executive body. It has no power to make trade treaties, and much less to write tariff schedules. That power resides with others, and in the case of some of these others, notably the Congress of the United States, it is a power guarded jealously and sometimes exercised queerly."

WE CAN'T HAVE BOTH, says the **Vancouver Province** about tax reductions and subsidies. "Taxpayers who have been simultaneously crying out against high taxation and in favor of continued government participation in the country's economic life by means of controls and subsidies, should focus their ideas into a logical pattern. Substantial tax reductions will be possible only when the government reduces its scope and the size of its gifts to the people. We can not have small taxes and bigger government. Growing government paternalism and lower taxation are incompatible."

MARGARINE is so important to the great majority of Canadians that it should be brought up and discussed in the House of Commons this session, asserts the **Montreal Star.** "Setting aside immediate considerations, it should be realized that the margarine-production matter should be regarded as a long-term problem, to be dealt with as such. Canada has a large industrial, urban population which must have diversified foods at prices which its large low-income group can afford. But if Canada cannot make enough butter to meet the need at an economical price it is surely manifest that a cheap, palatable and healthful butter substitute should be available, as it is in other countries."

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Apr. 13, 1947

B.C. Labor Bill Passed, Split Averted Macdonald Adamant for Minor Taxes

The Dominion's three most westerly legislatures had ended their sessions this week, and Ontario was in recess, probably until June, awaiting an opportunity to study Hon. D. C. Abbott's impending budget speech. Meanwhile, Nova Scotia's Premier Angus Macdonald had aligned himself more definitely in the ranks of the dissenters. While still voicing hope of "a fair settlement" on tax questions: "Nova Scotia has never closed any doors." Macdonald insisted that the Dominion should vacate the amusement and pari-mutuel tax fields.

British Columbia

No Cabinet Split

The legislature session was ended, the contentious labor bill was law, and George Sharratt Pearson was still Labor Minister, although he did not like some of the terms of the measure (The Financial Post, April 5). It requires a government-supervised vote before a strike can be legally called. Other features of session: an education campaign to promote "temperance and moderation" with regard to liquor; a car insurance system, following the Manitoba pattern; payment by the province of 80% of all social welfare charges; a new forestry system; all teachers to become automatically members of the Teachers' Federation; liquor rationing and use of liquor permits wiped out. Jettisoned were two plans forecast as part of the Government program: compulsory voting and cocktail bars, both of which drew more kicks than ha'pence, in public response.

Speed Medical School: The legislature delivered a mild "ultimatum" to governors of the University of British Columbia, to launch a faculty of medicine at once, with a capital grant of $1.5 millions and a vote of $100,000 yearly for expenses. Speakers said more than 500 students, many of them war veterans, were seeking medical training and were unable to enter universities elsewhere.

* * *

Alberta

Dark Horse for Liberals

A man who said he didn't know what his politics were, if any, was mentioned today as a possible Liberal leader. J. Harper Prowse, army representative in the legislature, admitted that "individuals" from different political groups had sounded him as to his future intentions. Also mentioned as a possible candidate when Liberals convene in Edmonton June 24, was J. M. Wheatley of Chancellor, president of the Municipal Districts Association of Alberta. (Liberals, two years ago, decided to withdraw from the united anti-Social Credit group, and to fight the next election on their own platform.)

Who's Orthodox?: Social Crediters were apparently all out of step but Arthur Wray, recently expelled from party caucuses, and banished to the opposition side of the House. "Being thrown overboard does not change my status as a Social Crediter" Wray, Banff-Cochrane MPP, insisted. "He dumped himself overboard, despite the fact he can't swim" retorted Gordon Taylor, SC whip, accusing Wray of "a persecution complex." Wray's motion for a minimum wage of 65c. an hour for men was rejected by the House, as was a CCF demand for a minimum teacher salary (suggested: $1,500).

Continue Highway Control: Because of lack of tourist facilities along the Alaska highway, traffic will continue restricted next summer, through permit controls issued in Edmonton. The control office there reports approximately 90 queries daily in recent weeks, mostly from American tourists, as to travel over the highway. Alberta itself was increasing tourist accommodation, in anticipation of a record season.

* * *

Saskatchewan

Session Sets Records

The legislature ended a 45-day session with a new record for legislation; 125 bills passed, all but seven of them government-sponsored. Highlighted during the session were the anti-discrimination "Bill of Rights"; a 44-hr. work-week bill effective in all urban areas; provincial price control, aimed particularly at rentals; and permission for municipalities to operate bakeries, dairies, service stations and other facilities. Only tax changes effected in a record $45.5 million budget, were a two-cent increase in gasoline tax, and removal of the education tax from drug prescriptions, patent medicines and a number of other small items. Jacob Benson, CCF, vainly pressed for complete abolition of the education tax, as pledged, he said, by his party in the 1944 campaign. Provincial Treasurer Fines retorted that Benson, in 1944, had advocated increasing the disputed levy.

Furnace Oil Scarce: Facing a furnace oil shortage, Saskatchewan oil companies declined to accept new customers, although voicing hope that all present customers could be supplied. Simultaneously, fuel oil prices jumped a cent a gallon (bringing furnace oil to 11 cents); attributed to higher production and freight costs.

Alfalfa Pays Off: Alfalfa, already the main cash crop of farmers on the northern fringe of the Province's grain belt, promised further expansion in 1947. Last year, despite early frost conditions, which ruined many fields, the Hudson Bay Junction area produced 500,000 lb. This year Western Seed Growers' Association was planning a new seed house, of one million lb. capacity. In 1945 and 1946, the district shipped alfalfa seed to Russia. This year's crop was earmarked largely for northern United States.

* * *

Manitoba

Defends Tax Boost

The two-cent increase in gasoline taxes meant the difference between a deficit and a surplus, Premier (and Provincial Treasurer) Garson answered Communist William Arthur Kardash; pointed out that even with revenue of $1 million estimated from the tax boost, the province was only budgeting for an $89,000 surplus.

Fishery Control Defended: Control of fishing on Lake Winnipeg "went against the grain," but was inevitable, in the interests of the industry, Resources Minister, J. S. McDiarmid answered L. St. G. Stubbs, Winnipeg independent, who charged a "combine" of fish companies and fish packers, had been operating since 1940. McDiarmid stressed that "control" was exercised not by the operators, but by his department, as the only alternative to "a return to the chaos and the low prices of the past." About 160 boats were licensed yearly; "if 260 apply for licenses, 100 are going to be disappointed; the only new boats we are making room for, are those of veterans."

Hutterite Problem Again: The Hutterite problem, which Alberta had sought to solve (The Financial Post, Apr. 5) now raised its head here, as residents of Portage la Prairie, Cartier and St. Francois Xavier called for legislature investigation, and for a curb on further sect colonies. Their complaints: Hutterites refused to vote or to take out citizenship papers; exempted from military service as conscientious objectors, they had acquired land which should have been held available for war veterans; individually, they paid no income tax; corporately they paid much less, on average, than individual farmers.

HARRY NOCK

is president of the newly-formed Restonic Corp., Toronto.

* * *

Ontario

Await Federal Budget

The legislature recessed, probably until June, to await the federal budget. Meanwhile, on a straight party vote (57 to 21) the House had endorsed the Drew Government's stand "to protect the established rights, customs and educational system of this province." The Liberal opposition group voted with the Government on two amendments, moved by CCF and Labor Progressives.

More for MPPs: Legislators voted themselves a tax-free expense allowance of $1,000, but agreed to leave their taxable sessional indemnity at $2,000 (previously a boost to $2,400 had been recommended). The opposition leader will in future receive $3,000 salary plus $2,000 expense allowance. The Speaker's salary remains at $2,500, but with all expenses of his office to be defrayed out of public funds. (Officially unannounced, was what division would be made as to salary, between W. J. Stewart, who resigned the Speakership in mid-session, and his successor James de Congalton Hepburn (The Financial Post Mar. 29.)

Housewife on Hydro: Housewives, farmers, labor, Northern Ontario and the Ontario Municipal Electrical Association, will have direct representation on the Hydro Commission, under a reorganization increasing its personnel from three to nine members. "A housewife is obviously the most experienced advisor" on questions involving household power consumption, Premier Drew stressed. New commissioners will receive "honorary remuneration," not a full-time salary.

* * *

Quebec

Busy Month Ahead

Probably another month of work lay before the legislature as it reconvened this week after the Easter recess. Still pending was Labor Minister Barrette's "industrial harmony" bill (The Financial Post, Apr. 5), which many predicted would not live up to its name. Most contentious clause was that aimed at outlawing communist organizers or others with "unsavory" records, in labor unions.

Ban on Bingo: Commercial bingo games "an intolerable challenge to respect for law, an intolerable danger to social welfare," were definitely to be banned, Premier Duplessis pledged: "We give formal notice that these abuses must cease." Complaints received from Quebec City stated that housewives were leaving their grocery bills unpaid, to attend bingo games which drew 11,000 persons, saw $25,000 change hands in one night.

* * *

New Brunswick

Seize Idle Mines

The House gave swift assent to a bill empowering the Government to seize strike-bound coal mines. The measure, said Premier J. B. McNair, would ensure coal production to supply the Grand Lake power plant of the provincial Hydro Commission.

Ferry Service Saved: Saint John Marine Transport announced completion of satisfactory arrangements with Ottawa for a subsidy to permit continued operation of the vessel Standard Coaster between Saint John and Nova Scotia ports on the other side of the Bay of Fundy. Cessation of the freight service had been forecast (The Financial Post, April 5).

Province Fights TB: A new, mobile X-ray van, provided by the Province's Tuberculosis Association through sale of Christmas seals, was being tested at the Moncton Tuberculosis hospital; eventually, staffed by Health Dept. technicians, would tour the Province, giving chest examinations.

Resume Boston Line: Saint John was more firmly re-established on the shipping map, with announcement that steamship service to Boston, a wartime casualty, was to resume—starting June 24, and continuing to Sept. 3.

* * *

Nova Scotia

Surplus Soars

Public accounts disclosed the largest peacetime surplus in the province's history, for the year ended Nov. 30, 1946—$2,588,648, against an advance estimate of only $51,446. Expenditures totalled $19,957,611 (estimated $19,745,725) and revenues $22,546,259 (estimated $19,797,171). The Liquor Commission reported profit of $8,888,902 on sales of $23,315,477; and Premier Macdonald disclosed plans for a Liquor Commission building in Halifax.

New Air Line Opened: Premier Angus Macdonald, Premier J. Walter Jones of Prince Edward Island and Governor Bradford of Massachusetts, shared in ceremonies marking formal inauguration of TCA's Maritime-New England service—from Sydney, Halifax and Yarmouth, to Penn-f[illegible] Boston.

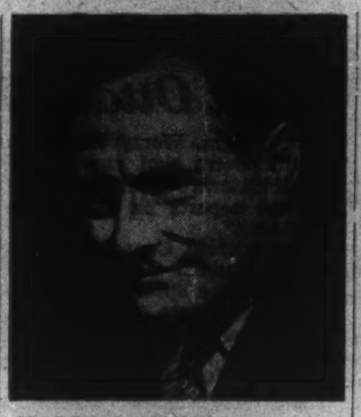
Loss on Lobsters: Yarmouth a[illegible] fishermen reported heavy losses from a spring gale which damaged lobster gear, strewing traps along the shore from the Tusket Islands to St. Mary's Bay; some foresaw higher prices, as a result of curtailed production.

* * *

Prince Edward Island

'Prohibition' Profitable

Demands of critics that the Government admit it was in the liquor-control business (The Financial Post, Sept. 21, 1946) were strengthened by Provincial Treasurer Hughes' report on administration of the Prohibition Act; net profits for 1945-46, $367,748, against $189,000 a year before; and for the 11 months to Feb. 28, 1947, $505,000 on gross sales of $1,750,000. That did not look like prohibition, critics contended. (Island physicians are now empowered to issue liquor-purchasing prescriptions valid for six months, to "patients.")



HARRY G. HAYNES

is vice-president and sales manager of the newly-formed Restonic Corp., Toronto.

Corporation Levy Hit: Opposition legislators took a dim view of the 5% corporation income tax to be levied by the province, despite Provincial Treasurer Hughes' explanation that Ottawa would have increased its levy, if the Island had not imposed one. Critics complained that the Island will "neither collect, see nor spend" the money. (Collected by Ottawa, the levy is offset against grants to the province.)

Ship Spuds Direct: The first ships to load potatoes direct from the Island for the United Kingdom (The Financial Post, March 1 and 8) were due this week; a total of 30,000 tons to be shipped from Charlottetown, Summerside, Souris and Georgetown; stevedore wages estimated at $40,000. Earlier shipments had been from the mainland.

BUSINESS THIS WEEK

	MAR.	FEB.	JAN.	DEC.	Year Ago
GOVERNMENT FINANCE (millions of $)					
Dom. total revenue	....	....	256.6	264.2	286.7
Dom. total expend.	....	....	170.8	177.0	246.9
MERCHANDISING					
Dept. store sales index no. (1)	....	189.7	165.1	325.7	162.3
Retail sales index (no.)	....	....	181.1	282.2	160.0
•Country store index (no.)	....	150.7	148.7	223.7	140.3
Wholesale sales index (no.)	....	....	237.5	221.0	217.1
FINANCE					
•Dividend payment index (5)	156.8	155.6	155.3	147.4	137.2
Bank debits (2)	....	....	236.3	301.0	237.8
Money supply (millions $)	....	....	7,545	7,502	7,059
NEWSPRINT CAPACITY					
Production ratio	....	....	101.1	96.8	91.2
Shipment ratio	....	....	94.1	96.2	87.9
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S.)	....	184.2	194.2	176.8	182.5
Cars (D.B.S.) index	....	150.8	164.3	155.3	147.0
COST OF LIVING					
•D.B.S. index	128.9	127.8	127.0	127.1	120.1
EMPLOYMENT INDEX					
All industries	....	....	181.4	185.7	168.2
Manufacturing	....	....	190.7	194.2	179.9
Payrolls (June 1/41=100) (2)	....	....	180.2	189.5	137.0

			Jan. 1 to date		Change
RAILWAYS—(000's omitted)	1947	1946	1947	1946	%
•Carloadings (week Mar. 29)	70.2	69.5	845.0	863.1	+2.5
•C.P.R. gross rev. (Mar. 31)	9,305	7,906	71,349	71,161	+0.2
C.N.R. net rev. (Feb.)	570	1,358	1,401	3,834	—63.5
C.N.R. gross rev. (Feb.)	31,068	28,855	63,926	59,756	+6.9
•C.P.R. gross rev. (Feb.)	21,036	22,509	44,305	45,908	—3.3
C.P.R. net rev. (Jan.)	187	1,218	187	1,218	+83.5
IRON AND STEEL (000's omitted) (Jan.)					
•Pig iron production (tons)	150.6	143.2	327.9	286.9	+14.3
•Steel production (tons)	229.2	232.9	479.0	478.5	+0.1
CONSTRUCTION (000's omitted)					
Contracts awarded (Feb.)	53,452	33,092	98,162	60,487	+62.3
Building permits (Feb.)	17,598	16,872	34,238	31,859	+7.4
Cement prod., bbls. (Jan.)	403.9	310.5	403.9	310.5	+30.1
AGRICULTURE (000's omitted)					
Flour prod., bbls. (Feb.)	2,212	2,146	4,690	4,386	+6.9
Flour exp., bbls. (Feb.)	1,230	1,129	2,610	2,288	+14.1
Wheat exp., bush. (Jan.)	14,198	15,248	14,198	15,248	—6.9
Cattle sales (Feb.) (4)	97.0	130.3	217.1	287.6	—24.7
Hog sales (Feb.) (4)	305.6	395.1	705.4	909.4	—22.5
SEA FISHERIES (000's omitted)					
Catch, lb. (Feb.)	106,011	83,781	196,107	138,909	+40.5
Landed value (Feb.) $	2,471	2,337	4,352	4,358	—0.4
NEWSPAPERS (000's omitted)					
Production (Jan.)	370	328	370	328	+12.7
Exports, tons (Jan.)	345	316	345	316	+8.9
MINING AND OILS (000's omitted)					
Coal prod., tons (Jan.)	1,699	1,808	1,699	1,808	—6.1
Gold prod. (fine oz.) (Jan.)	233.8	238.5	233.8	238.5	—2.8
Petroleum prod. (brl.) (Jan.)	597.6	680.3	597.6	680.3	—12.1
ELECTRICAL POWER OUTPUT (000,000 omitted) (Feb.)					
•Total monthly kw.h.	3,589	3,163	7,307	6,612	+13.5
FOREIGN TRADE (millions of $)					
Imports (Jan.)	173.8	140.3	173.8	140.3	+23.9
•Exports (Feb.)	179.5	153.1	388.1	342.2	+13.4
FINANCE (millions of $)					
Bank debits (Feb.)	5,597	5,336	11,813	11,327	+4.3
•Bond sales (Mar.)	791.6	1,232.0	1,438.0	1,593.2	—9.7
Life insurance sales (Jan.)	100.7	82.6	100.7	82.6	+21.9
OTHER INDUSTRIAL FACTORS (000,000's omitted)					
Shoe prod. pr. (Jan.)	3.1	3.4	3.1	3.4	+8.8
Cigarette cons. (no.) (Feb.)	1,209	1,105	2,456	2,596	—5.4

(1) Base period 1935-39=100.
(2) All industries.
•New items for week.
(4) Total at yards and plants.
(5) Nesbitt, Thomson, ets.
(6) d—deficit.

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RECENT increase in the industrial sugar quota has an important bearing on operations of Orange Crush Limited, leading soft drink manufacturer. Our "Investment Suggestions" for April contains an up-to-date review of this progressive company's position and prospects—as well as a diversified list of stocks and bonds. "Investment Suggestions" will be sent to you on request—write for a copy.

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S.S. "Wentworth Park" April 30/May 3 for La Guaira, Venezuela. S.S. "Shakespeare Park" May 19/21 for Guanta, Puerto Cabello and Maracaibo, Venezuela.

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SAGUENAY TERMINALS

The right foods can mean better health! But remember, appetite and taste are not always the best guides to a good diet. Neither is cost, $1.50 98¢ for some families that spend a lot on food are not as well nourished as those who spend less—but choose more wisely and enjoy a well-balanced diet.

Today, medical science is realizing more and more that food can be helpful in fighting certain physical conditions, such as diabetes, high blood pressure, and overweight.

However, the main function of *your* food is to help you keep physically fit. Eating the *right amount* of the *right foods* every day can mean *better health and a happier life for you!*

Choose foods to meet the body's needs!

Daily needs in nearly every normal diet include milk or cheese, meat, fish or poultry, vegetables, fruits, cereals or breads, fats and sweets. You should also drink 4 to 8 glasses of water a day.

How much of each food you should eat for a well-balanced diet depends on your age, your physical condition, and the kind of work you do. Ask your doctor about your own health requirements, and be sure your diet includes all of the essential food elements in the proper amounts.

When and *how* you eat are nearly as important as what you eat. Have your meals at regular times. Eat them slowly and enjoy them — for a happy, peaceful atmosphere is helpful to good digestion and good health.

To help guide your choice of foods for a healthy diet, and to help you get the most good from the food you buy, send for your copy of Metropolitan's free booklet, "Three Meals A Day."

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Frederick H. Ecker, CHAIRMAN OF THE BOARD
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Metropolitan will gladly send you enlarged copies of this advertisement — suitable for use on your bulletin boards. Address your request to the Canadian Head Office, Ottawa.

Doubt Enough Grain Cars to Meet Rush

Special Correspondence

WINNIPEG — Accelerated movement of grain from country elevators in Western Canada to terminals is now hoped for, on the basis of an undertaking by the railways to furnish 900 cars a day for loading.

For the immediate present, about 150 cars daily are expected to be shipped to Vancouver. The balance, after taking care of shipments to western mills, will be directed to the Lakehead where there is great need of grain to supply cargoes for eastern lake shipment at the opening of navigation.

In an effort to obtain more wheat rapidly, the Canadian Wheat Board has lifted all quota restrictions on deliveries including the long-established requirement that farmers must deliver only at the point named in their permit books. In addition, it is appealing to farmers in Manitoba and Saskatchewan to bring into elevators wheat still remaining in farm granaries.

Actually, no important results are expected from that appeal. Movement of grain from farms has been and still is restricted by poor road conditions and to the fact that farm granaries are not accessible across soggy fields. As soon as the advance of spring makes conditions propitious for hauling, they will also be propitious for work on the land, and farmers will consider that their first preoccupation.

Not until seeding is over, probably about May 24, can any great volume of new deliveries be expected. With a uniform price basis prevailing for wheat for the next three years, there is no inducement for farmers to haul grain except as fits in most conveniently with other farm operations.

The situation is different in Alberta, where a great many country elevators are congested with grain which so far the railways have not been able to get forward. There is great urgency for movement of such grain, not only because of market demand but also because so much of it is damp and in danger of spoilage from warm weather. Moreover, there are great quantities of grain still on Alberta farms.

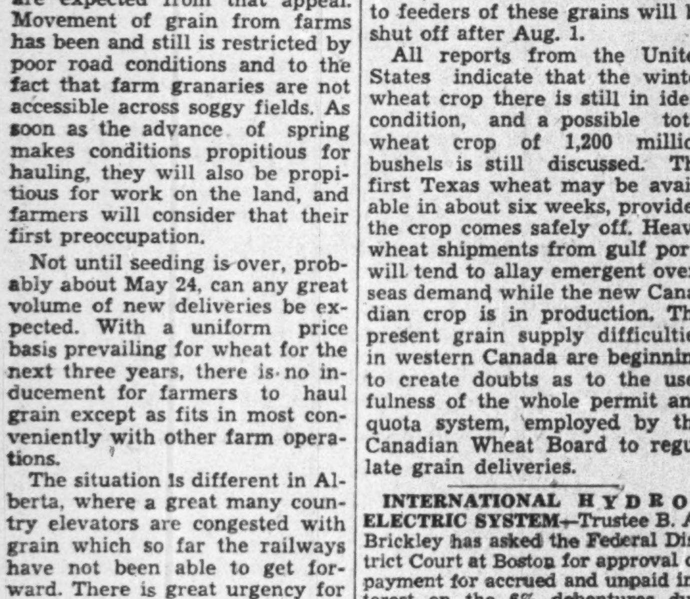
Much of that grain is in its present condition because of the delay in deliveries caused last fall during the farm strike. At the time it was supposed that farmers who delayed hauling their grain would suffer only minor inconvenience. Now they face the possibility of considerable loss from spoilage.

Even with the utmost effort of the railways, it seems unlikely that sufficient quantities of wheat can be accumulated at Lakehead terminals to keep the lake fleet in continuous operation. It is beginning to be taken for granted that the Wheat Board will fall short of its commitments to deliver 160 million bushels of wheat to Great Britain during the current crop year.

Export of oats and barley to the United States remains shut off in order to conserve supplies of these grains for the domestic market. The demand from eastern Canada is more insistent since the recent announcement at Brandon by agriculture Minister Gardiner, to the effect that subsidies to feeders of these grains will be shut off after Aug. 1.

All reports from the United States indicate that the winter wheat crop there is still in ideal condition, and a possible total wheat crop of 1,200 million bushels is still discussed. The first Texas wheat may be available in about six weeks, provided the crop comes safely off. Heavy wheat shipments from gulf ports will tend to allay emergent overseas demand while the new Canadian crop is in production. The present grain supply difficulties in western Canada are beginning to create doubts as to the usefulness of the whole permit and quota system, employed by the Canadian Wheat Board to regulate grain deliveries.

INTERNATIONAL HYDRO-ELECTRIC SYSTEM—Trustee B. A. Brickley has asked the Federal District Court at Boston for approval of payment for accrued and unpaid interest on the 6% debentures due 1944. The payment will amount to a total of $1,859,760 and would represent interest through Apr. 1, 1947. The courts will hold a hearing on Apr. 15, 1947.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Vets in Suburban "Villages" Wait Ottawa Housing Rescue

"Sit tight. Worry the Government. Don't sign any contracts until Ottawa's investigating committee reports on faulty house building."

So advised Canadian Legion's B. C. Council Chairman Robert Knight in a speech at Victoria's Braefoot Estate, a typical "suburban small holdings community" under the Veterans' Land Act and Dept. of Veterans' Affairs.

Two weeks before, the vets and the House of Commons had heard Veterans' Minister Ian Mackenzie announce approval and start of "a 100% repair program" at well over $500,000 in a large proportion of the 2,663 houses in suburban small holdings communities.

But they and their wives were still angry; still threatening a "walkout" over high prices and jerrybuilding. In similar mood were hundreds of others in "veteran villages" across Canada as plaster fell off walls, cellars flooded, doors warped, floors splintered, Then, on March 21, they heard from the official investigators, DVA Deputy Minister Walter S. Woods, VLA Director Gordon Murchison, Montreal Civil Engineer Lt.-Col. C. E. Parish.

The verdict on the "worst 250" houses examined: "Many" were "very" faulty. Lumber, millwork, flooring, carpentry work, plaster and drainage in many cases were below even the relatively low construction standards prevailing in a period of undersupply of materials and skilled labor.

Veterans committed to these "worst" houses had known all this long before. But for Canadians generally the report represented the first detailed and authenticated account of the housing grief being borne by many on small holdings.

As spring came, the vets were waiting for announced government remedies to catch up with their individual troubles.

They had promises. "One hundred per cent paid" repairs were on the way, and a million dollars had been appropriated earlier to reduce unanticipated construction costs.

But many a suburban small holdings family this week was still talking bitterly of "too little house for too much money."

10% Rent Ceiling Boost Leaves Most Unsatisfied

Landlords Disappointed Occupancy is Still "Frozen"; Labor Predicts New Wage Demands, and Inflationary Spiral, in Wake of Order

To a nation racked by housing ills stemming from record demand for accommodation—and an over-all shelter deficit—the Government this week tossed another pill.

The medicine—a 10% over-all, plus a 10% selective bulge in the residential rent ceiling after five and-a-half years of relatively rigid control. It was the second major decontrol dose for real estate in five weeks. The first: relief for landlords of commercial property in the form of a 25% hike in the ceiling, plus, in some categories, complete decontrol. (Less sweeping was the Jan. 1946 provision for commercial lease renewals at much higher rates for a multi-year term.)

Ottawa knew, and well-informed Canadians surmised, that these were merely opening treatments in a course likely to extend at least into summer of 1948 and which—perhaps soon, some real estate operators said—would include the still deferred "unfreezing" of housing occupation.

At mid-week, little had been heard from tenants, mostly unorganized and estimated to number around 1.2 million. Of these, at least half appeared in line for rent hikes varying between $2.50 and $10 a month. One unofficial source, assuming urban renters would be the ones most affected and putting their number at around 800,000, estimated the coming rent hike might cost Canadians something like 60 millions.

See Inflation Nearer

About the only spokesman for the tenant was organized labor. Several labor leaders were reported decrying Ottawa's move for higher rents. It virtually assured new wage demands and sharp acceleration of the inflationary spiral, they warned.

Among rank-and-file tenants, however, there appeared readiness to accept the argument that rise in landlord's operating costs since 1941, when control began, has far outstripped their gains from full tenancy and reduced services, and that some increase therefore is reasonable.

The landlords for their part—as represented by property owners' associations and real estate boards—called the move "intelligent" though "little and late." Hope was voiced that unfreezing of occupancy might follow soon; disappointment, as well, that it is still being delayed.

But would the landlords go 100% for the 2-year leases enforceable only on themselves and at the gain of a mere 10% in rental? Some observers thought many would not; that, instead, a large percentage might forego the 10% and bet on removal of tenancy control in time to beat any substantial recession in business.

Order Brings Rush

Meanwhile, Rentals Administration offices across Canada were swamped by a descending horde of tenants and landlords. Lineups overflowed into halls and elevators—in base offices as well as special depots set up for the purpose—as enquirers sought interpretation, standard lease forms and copies of Order 707.

Among real estate men the consensus was that the Dominion Government had taken a long-range shot at the rental problem in the hope that housing supply would catch up with demand in the next two years. Chief bone of contention is the fact that there is still no guarantee that buyers of tenanted houses will get possession.

The over-all adjustments were handled "intelligently," E. J. Oliver, president of the Ontario Association of Real Estate Boards, told The Financial Post. The order freezing tenants in homes which may be sold should be the next to go, Mr. Oliver said, adding: "I feel that the Government may do that soon."

Regulations in Nutshell

In brief, the new regulations permit:

Maximum increase of 10% in rentals for all housing accommodation (apartments, etc.) provided the landlord enters renewal lease with tenant for minimum two-year term;

Tenant may terminate lease on 30 days' notice; it is binding on landlord for full term;

Renewal lease and increased rent commence on expiration of current lease;

If tenant refuses two-year renewal lease he may be required to vacate at end of present lease; if landlord rents space to another tenant, ceiling rental must be no more than previous maximum plus 10% increase;

If landlord is not prepared to offer two-year renewal lease, tenant may remain in occupancy after expiration of current lease as tenant from month to month and will have same protection from eviction as heretofore;

If tenant does not accept landlord's offer of new lease within 30 days, it acts as notice to vacate at the end of the lease subject to provincial law;

Where houses were not previously rented, rentals appraiser will add 10% increase when setting rent; landlord and tenant can agree on lease for any term;

Where tenant is sub-letting three or more rooms, landlord may apply for an extra 10% increase in rental before offering tenant two-year lease;

Where landlord believes maximum rental is substantially less than rentals generally prevailing in vicinity he may apply to have maximum rental adjusted;

The two-year renewal lease and 10% increase do not apply to housing accommodation built since Jan. 1, 1944, including dwellings created by structural conversion or reconstruction, since rentals on such dwellings were fixed at higher levels.

Rent controls are removed from all hotel accommodation.

Bank of N. S. Job To Start May 15

Bank of Nova Scotia has awarded general contract to J. L. E. Price & Co., Montreal, for construction of its proposed $10 millions 25-story steel, concrete and stone head office building at Bay and King Streets in downtown Toronto. Wrecking of old buildings on the site is proceeding, including the former head office of Canada Life and historic Cawthra residence.

Excavation work is slated to start about May 15. A Toronto office of J. L. E. Price will be opened shortly, President J. L. E. Price told The Financial Post.

The big job—largest new office building in Canada in 20 years—will be handled entirely by the J. L. E. Price firm. An American contracting company, mentioned in earlier contract negotiations, will not be participating, Mr. Price tells The Post.

Grain Prices

Winnipeg Grain Futures

Week to Apr. 7, 1947

Crop year from Mar. 24, 1947 High	Low		High for week	Low for week	Close Apr. 7
		Oats*			
.65	.65	May	.65	.65	.65
		Barley*			
.93	.93	May	.93	.93	.93
		Rye			
3.43	1.69½	May	3.06	2.82¾	2.98¾
2.93⅝	2.11⅝	July	2.83	2.61	2.72¼
2.36⅝	1.81½	Oct.	2.31¾	2.19	2.25¼

*At ceiling.

Cash Quotations

	For Week Apr. 7 High	Low	Prev. Week High	Low
Oats*				
2 C. W.	.65	.65	.65	.65
3 C. W.	.65	.65	.65	.65
Barley*				
1 Feed	.93	.93	.93	.93
2 Feed	.93	.93	.93	.93
Rye				
2 C. W.	3.06¾	2.87	3.18½	3.08

*At ceiling.

Tax Evaders Can't Hide Behind Auditor

Court Holds Partners to Blame For "Mistakes" In Accounts Payable

OTTAWA (Staff)—When the Income Tax Division recently made it known that it was going to "get tough" with deliberate tax evaders (The Financial Post, Mar. 22) it wasn't fooling. Last week in Ottawa a father and son were fined $40,000 and given jail terms for making false returns terms for making false returns.

In his judgment, Magistrate Strike declared: "The defense was that the principal blame should be attached to the auditor. The mistakes which occurred in this instance were not what might be called accounting mistakes, except to a limited degree. The mistakes were made in connection with the accounts payable and in connection with the inventory.

"All businessmen know about accounts payable and they know about inventory; that is how business is carried on and that is how a firm is able to determine its profits. So in this case it does not seem to me it is possible for the partnership to hide behind the auditor at all.

"The statement filed by this company showed that their accounts payable were very much higher than could be justified by vouchers. It also showed that their inventory was very much lower than the proper inventory that should have been filed."

The company (Larocque Registered, a department store) had averaged a gross business of more than $1 million annually for the past four years. According to evidence, the firm showed accounts payable totalling $397,000 in its original return. Following investigation, a second return was filed listing accounts payable at only $45,000. Similarly the firm's first return showed inventory at a much higher figure than was revealed in the investigation, witnesses declared. These two items in the report accounted for most of the discrepancy between the tax paid of $51,000 and the government's claim that it should have been $286,000.

In addition to the $40,000 fine, the partners were ordered to pay the difference of $235,000 between tax paid and the amount claimed by the Government.

Defense counsel said the convictions would be appealed.

1,000 Home Owners Defend Their Park

Home owners in Toronto's Chaplin-Oriole residential area are exerting every wile and weapon of the lobbyist's art against a Toronto Transportation Commission proposal to establish a terminal yard which would swallow up the district's lone, small park. The proposed yard is a small part of the city's rapid transit project.

Last week, while school kids joined the crusade via a soberly worded petition, an estimated 1,000 angry parents invaded City Hall in protest.

They got an encouraging hearing: the four-man board of control was with them "to a man" and Mayor Robert Hood Saunders promised "full" study of alternative sites for the proposed yard.

But whether the expropriation steam roller could be detoured remained in doubt. Officials of the publicly owned street railway were insisting they couldn't find any other suitable site.

GREAT LAKES POWER CO. 1946 net profit was up 12.5% from previous year's adjusted retained profit. Sales of electricity totalled 365,502,411 kwh. compared with 380,021,692 kwhrs. in 1945. Kilowatt hour output was curtailed as a result of the coal strike in the United States, which substantially reduced operations of the Chromium Mining & Smelting Corp. Output was further retarded by a strike in the steel industry in Canada which completely shut down the Algoma Steel Corp., the company's largest customer, for 81 days and caused a further loss of time in regaining full production. Reduction in revenues from these two customers was approximately $132,000. These temporary losses in revenue were substantially offset by revenue increases from sales to other customers, mainly Abitibi Power & Paper Co., iron mines and the city of Sault Ste. Marie.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings	$960,260	$997,392
Less: Deprec.	251,745	303,242
Bond int.	263,820	286,859
Gen. int.	158	114
Amort. bond disc.	16,794	16,096
Income taxes‡	164,121	201,624
Misc. deduct.	847	1,545
Net profit‡	262,775	▲207,512
Less: Pref. divds.	52,500	52,500
Com. divds.	550,000	300,000
Deficit for year	339,725	144,988
‡Inc. ref. EPT	nil	11,781

‡Co.'s report includes ref. EPT in net profit and surplus for year.

▲In 1946, adjusted to $233,575, due to tax adj.

Times Bond Interest Earned*:		
4¼% 1st mtge.	3.97	3.83
5% gen. mtge.	6.29	5.99

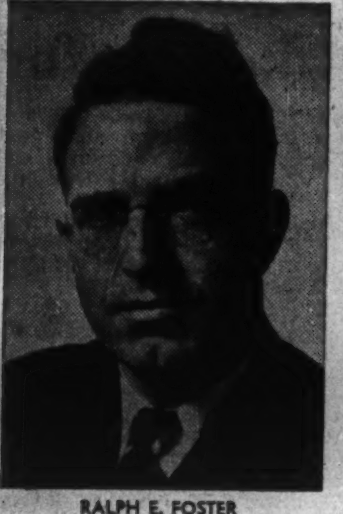
*After deprec. and before general interest.

Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$35.04	$27.67
Incl. ref. EPT	35.04	29.24
Paid	7.00	7.00
Com.: Excl. ref. EPT	7.01	5.17
Incl. ref. EPT	7.01	5.56
Paid	18.33⅓	10.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & Dom. bds.	$340,447	$688,699
Accts. rec., etc.	155,512	163,217
Inventories	27,177	21,786
Total curr. assets	523,136	873,702
Misc. assets▲	285,193	321,006
Fixed assets	13,699,927	13,536,905
Total assets	14,508,256	14,731,613
Accts. & tax. pay.	117,620	208,343
Other curr. liab.	101,205	101,768
Total curr. liab.	218,825	310,111
Funded debt	5,827,500	5,936,500
Deprec. res.	4,051,738	3,809,449
Other liabs.	21,344	24,076
Capital stock	2,800,000	2,800,000
Surplus▲	1,588,849	1,851,477
▲Incl. ref. EPT	1,019	29,395
Working capital	304,311	563,591

CHARLES C. PECK



RALPH E. FOSTER

R. SCOTT WHITE

Charles C. Peck, well-known as a designer of Employee Benefit Plans for Canadian businesses and the first Life Member of the "Million Dollar Round Table" to qualify from Canada, and Ralph E. Foster, formerly Consulting Economist specializing in individual and corporate tax problems, announce their association as Consultants on Employee Benefit and Retirement Plans, Business Insurance Problems and Personal Estate Planning. R. Scott White, Barrister-at-law, will be the legal associate. The offices of Peck, Foster & Associates are located at 330 University Avenue, Toronto, and 63 Sparks Street, Ottawa.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

KERR-ADDISON GOLD MINES has restored its production rate to a little over 2,000 tons daily, has achieved progress in catching up on underground development, and construction on the expansion program to 2,000 tons daily will start as soon as weather permits this spring.

Besides the increase in ore reserves reported below which are all above the 1,450-ft. level in each year, an additional 2,220,000 tons of indicated ore is estimated between the 1,450 and 1,850-ft. level averaging 0.2318 oz. gold per ton.

Outstanding ore results have attended development on the 1,600 and 1,900-ft. levels. At the latter, carbonate type ore bodies show combined lengths of 545 ft. averaging 0.2222 oz. gold over 18.9 ft. while flow type ore bodies total 2,450 ft. averaging 0.3055 oz. over average width of 42.2 ft.

Extra housing facilities were provided during the year and four 48-man dormitories and a cafeteria will be ready for use early in 1947. The main excavation for the mill addition was completed late in 1946. Tonnage of broken ore was expected to reach 800,000 tons early in 1947.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Total production	$3,853,253	$3,122,706
Less: Oper. exps.	1,816,560	1,350,591
Oper. profit	2,036,693	1,772,115
Add: Other income	123,484	120,461
Total net income	2,160,177	1,892,576
Less: Depreciation	196,222	342,925
Defer. devel. w/o		145,739
Prov. for taxes	579,264	420,531
Net profit	1,384,691	983,381
Less: Dividends	1,419,090	1,419,090
Deficit for year	34,399	435,709
Earned per share	$0.293	$0.208
Paid	0.30	0.30

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & bullion	$611,104	$758,806
Dom. Govt. bds.*	2,304,460	3,004,469
Int. acc.	19,219	25,421
Accts. rec.	10,227	53,363
Mat. & supplies	818,792	293,100
Total curr. assets	3,763,811	4,135,159
Mtge. receivable	3,920	7,612
Prep. & def. chgs.	39,908	37,927
Claims & props.	1,245,993	1,245,993
Plant & equip.▲	779,763	504,085
Pay'ts. re constr.	210,000	......
Lands (surf. rts. only)	41,149	41,149
Total assets	6,084,643	5,971,925
Accts., etc., payable	280,460	210,844
Taxes reserve	272,330	220,152
Total curr. liab.	552,780	430,996
Capital stock	2,931,922	2,931,922
Capital surpl.	56,112	30,780
Surplus	2,543,829	2,578,227
▲After depr. of	2,736,930	2,532,844
*Market value	2,606,938	3,026,188
Working capital	3,211,031	3,701,163

OPERATING STATISTICS

	1946	1945
Tons milled	531,698	430,065
Average recov.	$7.25	$7.26
Ore reserves, tons	3,464,950	3,379,951
Grade	$6.93	$6.91

SENATOR-ROUYN had an operating profit of $34,000 in the final half of 1946 but operating loss was $87,364 for the full year as milling rate averaged only 184 tons daily up to June against 300 tons daily thereafter. Net loss was $180,797 after write-offs.

At capacity company has about 1.6 year's ore of $6.13 grade above the 1,875-ft. level with a substantial block of ore stated to be located down to the 2,425-ft. level east of the No. 2 east fault in a new section. The main ore zone has also been indicated by drilling down to at least 2,560 ft. An incline shaft has been started below the 1,875-ft. level adjacent to the ore but additional financing is reported required with a bank loan at present filling in the gap. Authorized capital was increased from four to five millions shares since the last shareholders' meeting, it was pointed out.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Bullion recovery	$467,663	$482,941
Less: Oper. exp.	555,027	523,059
Net oper. loss	87,364	40,118
Less: Other inc.	9,624	11,007
Add: Depr.	47,235	39,292
Pre-prod. w/o	55,822	55,822
Net loss & def.	180,797	124,225
Earnings per Share	d$0.045	d$0.03
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & bullion	$26,074	$13,058
Dom. bonds	15,000	145,000
Accts., etc., rec.	4,301	3,216
Mat. & supplies	76,578	73,964
Total curr. assets	121,953	235,238
Invest. in subsids.	12,100	12,100
Prep. & def. chgs.	34,062	33,797
Pre-production dev.	65,963	122,386
Claims & props.	88,150	88,150
Plant & equip.†	328,772	310,625
Total assets	651,540	802,296
Bank overdraft	74,857	49,810
Accts., taxes, etc.	50,327	51,767
Total curr. liab.	125,184	101,577
Capital stock	671,655	671,655
Deficit	145,299	‡29,064
‡Surplus.		
†After depr. of	301,033	253,797
Working capital	*3,231	133,661

*Excess of curr. liab. over curr. assets.

OPERATING STATISTICS

	1946	1945
Tons milled	92,739	84,005
Average recov.	$5.04	$5.73
Ore reserves, tons	*165,914	371,346
Grade	$6.13	$5.81

*Not including several hundred thousand tons of slightly better grade indicated below 1,875-ft. level.

TOBURN GOLD MINES showed a small $14,156 profit in 1946 but after paying out $37,000 in dividends, writing off $135,379 of exploration expense and making a tax adjustment, a deficit forward of $25,812 was shown at the end of the year against a $127,158 surplus as at Jan. 1, 1946.

Approximately 25% of ore milled was provided by depletion of established ore reserves. No sorting of waste rock from ore was done during the year due to shortage of labor.

Diamond drilling has indicated interesting gold values 185 ft. south of 2,511 drift. This area is being investigated by drifting and crosscutting but considerably more development will be required to ascertain extent and importance of the deposit.

No ore body was found in outside exploration but work is planed on a group of claims staked in the Rush Lake area, Ont.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Prod. (less mktg.)	$478,633	$482,988
Less: Oper. exps.	448,048	426,432
Net oper. earn.	30,585	56,556
Less: Misc. loss, net	615	311
Depr. & depl.	15,814	22,112
Income tax	......	11,135
Net profit	14,156	22,998
Less: Dividends	37,000	55,500
Deficit for year	22,844	32,502
Earned per Share	$0.006	$0.012
Paid	0.02	0.03

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & bullion	$590,243	$457,233
Dom. bonds	17,000	217,000
Accts. rec.	1,165	3,421
Mat. & supplies	28,645	17,529
Total curr. assets	637,053	695,183
Prep. & def. chgs.	2,644	91,598
Invests.	2	2
Prop. & equip.▲	28,944	44,737
Total assets	668,643	831,540
Accts., etc., pay.	34,130	32,576
Accrued taxes	2,325	13,806
Total curr. liab.	36,455	46,382
Capital stock	658,000	658,000
Surplus	■25,812	127,158
▲After depr. & depl.	991,551	975,738
■Deficit.		
Working capital	600,598	648,801

OPERATING STATISTICS

	1946	1945
Tons milled	40,753	41,655
Average recov.	$11.74	$11.59
Ore reserves, tons	62,925	72,600
Grade	$18.20	$18.38

BONETAL GOLD MINES plans further testing of its new indicated ore area 1,000 ft. west of the shaft and the second and third level drifts are to be extended 250 to 300 ft. to investigate the new area, President Bert W. Lang states in the 1946 report. No. 44 hole in the new area gave 2.7 oz. over 1½ ft. and 0.26 oz. over 2 ft. while No. 45, hole, 100 ft. west, gave 3.7 oz. over 1 ft., 0.22 oz. over 3.8 ft. and 0.42 oz. over 5 ft. The high values in these holes appear to line up with a value of 1.16 oz. over 3.5 ft. intersected earlier at a point 250 ft. east of No. 44.

While no ore body was established in exploration from the 2,160-ft. level drift put in from Hallnor, a continuation of this exploration program in 1947 is stated to be warranted as some ore grade sections were cut.

Working capital on hand plus production is expected to allow the company to continue its planned program.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Production	$172,419	[illegible]
Less: Oper. exp.	147,090	125,967
Net earnings	25,329	[illegible]
Add: Other inc.	1,337	567
Less: Depr.	10,364	13,819
Def. dev. w/o	22,707	30,098
Net loss & def.	6,414	491

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash	$36,623	[illegible]
Dom. bds.	43,000	43,000
Accts., etc., rec.	795	[illegible]
Total curr. assets	80,423	[illegible]
Bonds dep.	1,938	1,939
Prep. ins.	......	86
Org. exp.	2,370	2,370
Def. devel.	246,396	225,397
Mining props.	76,076	76,076
Fixed assets*	91,534	[illegible]
Disc. on stock	2,670,343	2,670,343
Total assets	[illegible]	[illegible]
Total curr. liabs.	19,656	[illegible]
Capital stock	3,174,173	3,174,173
Less: Deficit	24,749	18,335
*After depr. of	46,658	36,294
Working capital	60,767	[illegible]

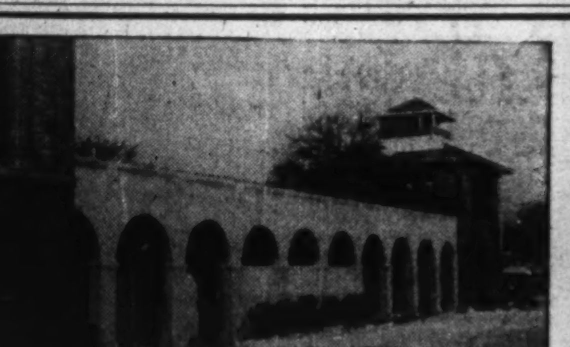
OPERATING STATISTICS

	1946	1945
Tons milled	26,698	[illegible]
Average recov.	$6.46	$7.04

INSURANCE CO. OF NORTH AMERICA and associated companies show an increase in assets of over $15 millions to $266.8 millions in 1946.

Premiums written totalled $99 millions. Investment income of the North America group before U. S. federal taxes was $8.4 millions ($7.4 millions in 1945). Underwritting loss was $5.1 millions. Policyholders' surplus of the Insurance Co. of North America was $132.9 millions. Net premium income at $49.8 millions was $7 millions higher. Unearned premium reserve rose $7 millions.

Indemnity Insurance Co. of North America, the North America's casualty affiliate, showed premium income at $27.6 millions, an increase of 20%. Underwriting loss was $1.8 millions, investment income $2.1 millions. Assets were $69.4 millions and policyholders' surplus $24.8 millions.


An interesting example of a Gunite job we did last year. Note how sharply the lines of the columns and arches have been retained and the attractive appearance of the new work.

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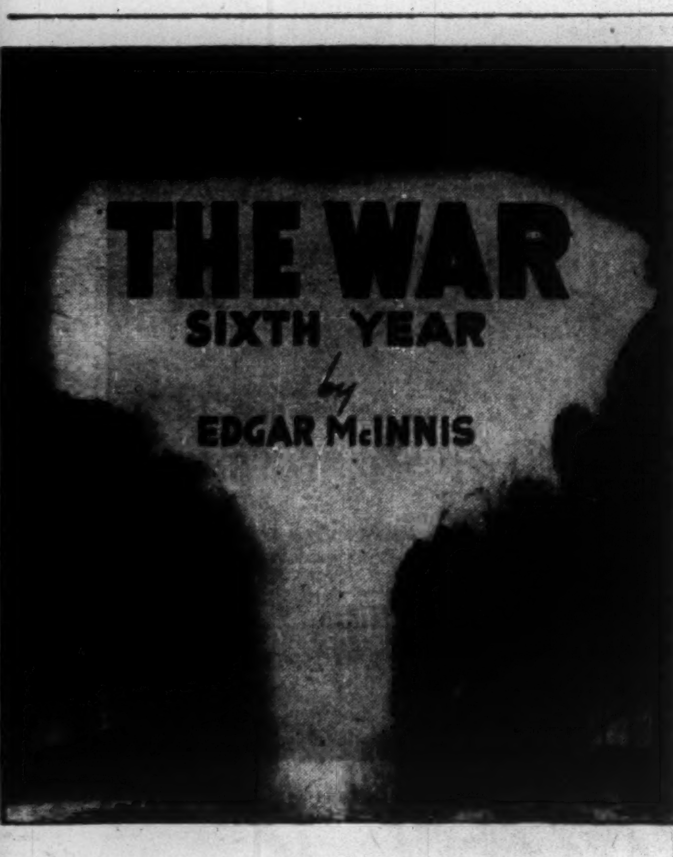

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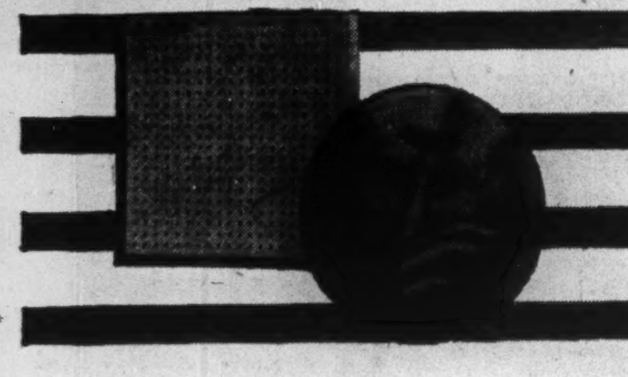

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BOOKS FOR BUSINESSMEN

THE BRITISH COMMONWEALTH AND INTERNATIONAL SECURITY, by Gwendolen M. Carter; published in Canada by the Ryerson Press, 299 Queen St. W., Toronto; 326 pages; price, $4.

The book deals with the efforts to achieve security in the inter-war period of the members of the British Commonwealth of Nations, dealing particularly with Canada, Australia, New Zealand, South Africa and the Irish Free State. It is the second book in Ryerson's new series on international affairs.

• • •

WHAT MAKES DIRECT MAIL SUCCESSFUL, published by the National Research Bureau, 415 North Dearborn St., Chicago, Ill.; 320 pages; price, $3.

Gives the facts on successful direct mail technique. It tells why direct mail often fails and gives the secrets on how, why and when direct mail proves successful. The book shows how to test mailing pieces for effectiveness and outlines a plant for systematic follow-up campaigns.

• • •

FIRST AID FOR THE AILING HOUSE, published by McGraw-Hill Publishing Co., New York; distributed in Canada by Embassy Book Co., 36 Wellington St. E., Toronto; 394 pages; price, $3.25.

An expert shows how to cut house repair bills. Painting, plumbing plastering, insulation and all kinds of repair work are discussed in detail. The book tells how to keep older houses in serviceable condition, to slow up wear and keep down repair bills.

• • •

ANALYSIS OF DRILL JIG DESIGN, by J. I. Karash; published by McGraw-Hill Publishing Co., New York; 325 pages; price, $4.40.

This book presents a factual approach to the problem of tool design, analyzing the mental processes connected with this work and setting up a procedure aimed at ensuring a workable design of high productive efficiency before the drafting board is approached.

• • •

AMBASSADOR ON SPECIAL MISSION, by Sir Samuel Hoare (Viscount Templewood), published by Collins, St. James' Place, London, Eng.; 315 pages; price $3.50.

This book written by Sir Samuel Hoare, now Viscount Templewood, is the account of the author's mission to Madrid in 1940; based principally on letters and notes which he kept during his Spanish mission. In describing his book he quotes Horace Walpole's words, "I am no historian. I write casual memoirs. I draw characters. I preserve anecdotes."

When Sir Samuel Hoare arrived in Madrid, the position which Franco would take with respect to the war was a matter of vital concern to the Allied cause. If Spain had thrown in her lot with Germany, or if she had been occupied by the enemy, the North African expedition would not likely have been possible. Why this did not happen is explained in Lord Templewood's book.

He covers in particular detail the personalities which played important and unimportant parts in the Spanish puzzle. During the author's stay in Spain, Madrid was one of the few points still available to the allies on the continent and it became the centre of negotiations with French and Italians. It was also the chief outlet for escaped prisoners of war and refugees from Nazi-occupied Europe.

This book does not attempt to draw a moral nor is it one of the current rash of postwar books which criticize and extol the prosecution of the war. It is largely a job of straight reporting and its interest lies chiefly in the fact that the author was personally acquainted with the persons mentioned and played an important role in the events described. The book is written in four parts and the titles assigned to the sections tell a story in themselves. They are, Franco's Pre-Belligerency, Franco's Hesitations, Franco's Non-Belligerency, Franco's Unneutral Neutrality. Ambassador On Special Mission tells the interesting behind-the-scenes story of Franco's blow-hot-blow-cold policy during the war.

• • •

A RIVER NEVER SLEEPS, by Roderick B. L. Haig-Brown; published in Canada by Wm. Collins Sons & Co., Toronto; 352 pages; price $4.

Here is a book about fishing for the man who is a little more than just a fisherman. It is a book of the forest, the river and the variable moods of nature. Fishing becomes a new art in these pages, an art that must ever be attuned not only to the vagaries of the fish but to the "whip of the wind" and the "sweep of the mountain stream."

Haig-Brown writes of his experiences in the lakes and streams and rivers of the Pacific northwest, in the renowned English streams and in his favorite Campbell River near which he lives. From January's trying for steelhead in cold mountain waters, to May and the run of the cutthroats, to October and the run of spawning salmon, the writer-fisherman leads the way from river to river and down to the sea.

From start to finish the prose is as far removed from conventional style as the writer's whole way of fishing is from that of the occasional worldling who sits in a boat and never takes his eyes off his float. To Haig-Brown a river is "water in its loveliest form; rivers have life and sound and movement and infinity of variation, rivers are veins of the earth through which the lifeblood returns to the heart," and again, "I do know that if it were not for the strong, quick life of rivers, for their sparkle in the sunshine, for the cold greyness of them under rain and the feel of them about my legs as I set my feet hard down on rocks or sand or gravel, I should fish less often."

Industrial Growth in Canada

New Plant Expansion Projects to Increase Production and Employment in Industry

Goodyear Tire

Goodyear Tire & Rubber, Canada, President A. G. Partridge, Toronto, pushes major plant expansion in suburban New Toronto for summer completion, prepares to move its in-city general office from Simcoe Street building, recently sold, to Fleet & Bathurst Streets building (former Rogers Majestic plant) bought last fall. Canadian Oil Companies is buyer of Simcoe Street building for May 31 possession. At Fleet and Bathurst Streets, Goodyear is starting $75,000 additions and alterations for truck and automobile storage.

At New Toronto, new "Airfoam" and "Pliofilm" plant units are well advanced after nine months' work; contractor Pigott Construction. The two, with connecting bridge, add 85,000 sq. ft. to the present 800,000 sq. ft. Cost, including equipment, may reach $2 millions. About 150 additional workers will be required.

• • •

Howard Smith

Howard Smith Paper Mills, President E. Howard Smith, Montreal, buys new plant site in suburban Ville LaSalle; plans building to provide for large-scale manufacture of "Arborite" laminated plastic, previously produced experimentally at Cornwall. Other units in Howard Smith expansion program:

Windsor Mills, Que.—Prepares detail plans for "substantial" additions and improvements to converting plant; pushing construction $144,000 paper bag plant to employ 25 initially, contractor Atlas Construction, architect A. Leslie Perry; engineer J. Charles Day.

Cornwall, Ont. — Addition $200,000 well advanced; contractor Atlas Construction.

Beauharnois, Que. — Addition to paper mill $150,000 has steel up and walls started; contractor Atlas Construction; architects; Barott, Marshall Montgomery & Merrett.

• • •

Shawinigan

Shawinigan Water & Power, President James Wilson, Montreal, once more broadens an already large-scale expansion program at Shawanigan Falls, while building a 12-story office in downtown Montreal. At Shawinigan, preliminary work continues on $12.5 millions additional development; construction nears completion of $120,000 laboratory addition by John J. Wickenden Co., contractor.

For subsidiary, Canadian Resins & Chemicals, detail plans are drawn for (a) addition to "Vinylite" plant, and (b) new plant unit to make "D.O.P."—dioctyl pthalate plasticizer used in manufacture of Vinylite films, sheets, molding compounds. This plasticizer not now made in Canada.

• • •

Moore

Moore Business Forms, subsidiary of Moore Corp., President W. N. McLeod, Toronto, has steel going up for $500,000 factory addition in suburban York Tp.; architects Mathers & Haldenby; contractor A. W. Robertson Ltd. "Substantial" additional employment will be provided on completion next fall.

• • •

Montreal Loco.

Montreal Locomotive Works, President R. B. McColl, New York, Executive Vice-President Sir Frederick Carson, Montreal (American Locomotive subsidiary), contemplates "heavy capital expenditures" for plant expansion and improvement should it convert to Diesel-electric locomotive production as the parent firm has done. Currently, Montreal Locomotive is completing a $50,000 plant addition; architects Sydney Comber & Son; contractor Douglas Bremner Construction.

• • •

Corbin Lock

Corbin Lock of Canada, Belleville, Ont., pushes 57,000-sq. ft. plant expansion to double both employment (now 250 workers) and output of builders' hardware. Virtually completed is iron foundry unit with latest cupola and molding machines. To be completed May and June are large machine shop, 10,000-sq. ft. general purpose unit, and outbuildings including sand, coke and pig iron "sheds," pattern vault, etc. Existing plant covers roughly same area.

• • •

Melchers

Melchers Distilleries, President Hon. Victor Marchand, Montreal, considers building an additional maturing warehouse at Berthierville, Que.; currently is completing $150,000 extension there; architect Charles David; contractor Douglas Bremner Construction.

• • •

Canada Packers

Canada Packers, President J. S. MacLean, Toronto, completing minor additions to Three Rivers and Toronto plants; recently bought Davis & Fraser Co., Halifax, and its subsidiary Island Cold Storage, Charlottetown. Latter being operated under old names. At Three Rivers, completes 7,200-sq. ft. addition to poultry killing and cold storage plant for a fruit and vegetable operation requiring 5 additional workers. At Toronto, completing $30,000 hydrogen plant, 1 story, 1,500 sq. ft.

• • •

Delli-Colli Shoe

Delli-Colli Shoe Manufacturing, Enrico and Antonio Delli-Colli, proprietors, completes building $47,000 9,000-sq. ft. factory to make 2,000 pairs of children's shoes a day with 150 employees; architect Patsy Colangelo; contractor J. P. Desrochers Co.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

H. SIMON & SONS 1946 net profit was up 20.7%. Cost of operation has increased considerably, with general increase in all supplies. Tobacco from Havana, United States and Java has increased very materially in price. Volume of business done was largest in history of the company. Inventories at year end at $1,239,360 are also a record.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings	$232,715	$174,948
Less: Deprec.	17,030	12,562
Inc. tax res.	94,535	62,000
Net profit	121,162	100,386
Less: Pref. divds.	19,220	19,258
Com. divds.	36,060	27,048
Surplus for year	65,882	54,080
Earnings per Share and Dividend Record:		
Pref.: Earned	$30.29	$25.10
Paid (new)	4.50½	....
Paid (old)	....	†7.27
Common: Earned	3.39	2.70
Paid	1.20	0.75+0.15

†Incl. accr. div. to redemption.

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & Dom. bonds	342,944	$174,706
Accts. rec.	424,337	181,492
Inventories (cost)	1,239,360	966,843
Total curr. assets	1,706,641	1,323,041
Misc. assets△	18,063	19,173
Fixed assets†	199,755	181,240
Total assets	1,924,459	1,523,454
Total curr. liab.	985,279	348,144
Reserves	105,000	70,000
Capital stock	488,261	488,261
Surplus△	345,838	△316,051
†After depr. of	122,505	105,484
△Incl. refund. EPT	15,119	16,309
Working capital	721,271	673,897

△Reflects cost of refinancing pref. shs. and cont. res. for inventories.

McCARTHY MILLING CO. 1946 net profit was up 7% from previous year's retained profit. Earnings represent the largest net return since the inception of the company. The company's flour mill and feed department operated at a high degree of efficiency, and this has resulted in a record volume of production, it is stated. To take care of increasing demand for the company's products, an extension to the feed mill will be undertaken as soon as materials and equipment are available. Prospects for 1947 are distinctly favorable, it is stated. It is anticipated the current year will exceed 1946 in sales volume.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings	$72,996	$45,853
Less: Depreciation	4,841	2,973
Interest	1,341	......
Reorg. exp.	2,198	......
Ref. wheat drawbk.	18,605	......
Taxes*	20,617	18,948
Net profit	25,394	23,932
Less: Cl. A. divds.	7,168	......
Cl. B. divds.	1,965	......
Surplus for year	16,473	23,932
*Incl. ref. EPT of	......	800
Earnings per Share and Dividend Record:		
Cl. "A" excl. ref.	$0.98	$0.92
Cl. "A" incl. EPT	0.98	0.94
Paid	0.27½	....
Cl. "B" excl. EPT	0.43	0.37
Cl. "B" incl. EPT	0.43	0.39
Paid	0.07½	...

CONDENSED BALANCE SHEET

As at:	Dec. 31, 1946	May 31, a1946
Cash & Dom. bds.	$33,178	$53,328
Accts. rec.	97,280	95,573
Inventories	88,006	76,613
Total curr. assets	218,464	226,816
Misc. assets△	8,972	9,237
Fixed assets*	18,917	15,234
Total assets	246,353	250,487
Bank liab.	5,474	16,353
Accts., tax, etc., pay.	67,186	65,770
Conting. res.	......	1,637
Total curr. liabs.	72,660	83,760
Capital stock	13,030	13,030
Earned surplus△	160,663	153,697
*After depr. of	27,959	26,451
△Incl. ref. EPT	1,700	1,700
Working capital	145,804	142,256

aPro forma, after capital reorganization.

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CANADA'S FINEST CIGARETTE

Fiberglas* makes
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and makes air travel safer...
FIBERGLAS
FIBERGLAS CANADA LIMITED
The product of 1000 uses—
What is Fiberglas?

Something new! Shopping bags with Fiberglas interlining keep frozen foods and other perishables from melting for eight hours and more... and on hottest days. Even ice cream stays hard while you have a hair-do, shop, see a movie. In the home, Fiberglas makes for better living. A Fiberglas jacket around your hot water heater cuts fuel costs, keeps water hot longer. Fiberglas insulation in your oven assures even heat for baking... and a cooler kitchen too. Refrigerators, home freezers, electrical appliances — all last longer, give better service when insulated with wonderful Fiberglas.

Weight-saving, firesafe... Fiberglas aircraft insulation keeps high-altitude transports snug even when temperatures drop far below zero. As acoustical insulation, too, Fiberglas deadens nerve-shattering, engine and vibration noises. On land in sleek postwar railroad streamliners and at sea too, Fiberglas thermal and sound-absorbing insulations mean new passenger comfort and luxury to travel. In scores of ways, in scores of places, Fiberglas is becoming increasingly important to us... at home and in business.

Small marbles of flawless glass are melted and blown into filaments finer than human hair, then spun into fibers soft and pliable as silk, blown into wool form or combined with plastics.

Can't burn ::: completely, permanently fireproof. Won't smoulder. Gives off no smoke or fumes.

Waterproof ::: sheds water. Won't absorb moisture. Can't shrink, stretch or swell.

Soft as silk—strong as steel ... like handfuls of fleece, yet each fiber has tensile strength of steel.

It's inorganic ::: insect and vermin proof. Won't rot, mildew, corrode. Odorless, ageless.

GENERAL SALES OFFICE: 1200 BAY STREET, TORONTO, ONTARIO

WHAT'S NEW IN BUSINESS

Manufacturers of products that are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respects it is new, and indicate its significance to its field.

Three Colors in One Pen

Latest entry in ball-point pen field gives choice of three ink colors—blue, fuchsia or emerald—with finger-tip control. Designed for special use of architects, engineers, accountants who need different colored inks. Barrel is aluminum.

* * *

Mobile Canteen Meals

Each meal is sealed and protected from kitchen to customer, claim manufacturers of new mobile canteen which will dispense complete meals or snack lunches for 40 to 100 people. Units are small enough to be pushed by hand; keep foods hot or cold as desired for two to three hours after preparation.

* * *

Makes Holes in Doughnuts

Squeeze the hand lever on "Prest-O-Gun" and presto— the doughnut batter, complete with hole, is pressed onto the frying pan. U. S. manufacturers claim "gun" can be stored with batter for days.

* * *

New Car in Britain

Four-seater Morris saloon said to be capable of 60 m.p.h. and 60 miles to the gallon is being manufactured in Britain. Company claims overseas orders worth $48 millions to date.

* * *

Thermostatic Throttle

Embarrassment of stalled engine at red light in cold weather may be avoided by new gadget. Normal throttle stop lets in enough fuel to idle warm engine, not enough for cold one. U. S. inventor adds to carburetor cam-controlled throttle valve, cam position being determined by expansion or contraction of heat-responsive bimetallic strip actuated by engine heat.

* * *

Safety Door Lock-latch

In case of fire or other emergency, door equipped with new lock and latch unit can be opened simply by pressing against wing of latch; use of hands or arms not needed. Comes assembled; after saw-cut, unit is slipped into place and made secure by tightening with adjustable bolts.

* * *

Lamp Shade Glows in Dark

Coating of phosphorescent pigment on Marcolite sheet is now used for lamp shades. Activated by exposure to artificial light, pigment causes shade to glow long after light's out.

* * *

Reduces Tire Static

To improve auto radio reception, U. S. Rubber Co. has developed powder which is blown into inner tubes. Claim it reduces tire static.

* * *

Meals in Sections

Pre-cooked frozen meals on sectional aluminum plates are aim of New York company which hopes to turn out 50 million meals a year. Plate units snap together to form complete unit. Buyer will choose vegetables, one of 14 meat, poultry or seafood entrees. Construction of plant to be started in next few weeks.

* * *

Shopping Cart for Baby

Built-in chair in which mother can put baby is feature of "Shop-a-Tot," self-service pushcart of basket type for U. S. supermarkets.

* * *

Lightweight Flatware

War-developed metal, Dural is being fabricated into knives, forks, spoons; manufacturers claim light weight cuts export transportation costs, is convenience to prospectors and campers.

* * *

Glass Bulletin Boards

Nucite glass chalkboards now available for plants and offices with bulletin-board problems. In alumilite frame, ready to hang. Manufacturers claim writing surface never develops glare, will withstand hard blows, is easily cleaned. Comes in ivory, green or black.

* * *

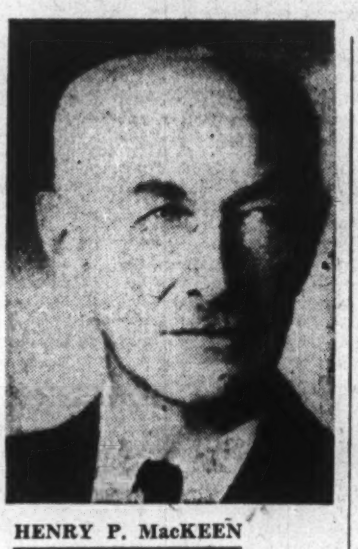
Spring Heels for Women

Steel tubular spring heel is feature of new design in women's shoes to be shown at British Industries Fair opening in London and Birmingham May 5. Makers claim it will allow wider scope in shoe design, give wearer feeling of buoyancy.

* * *

Counting by Electric Eye

Up to 600 units a minute can be counted by new photo-electric counter which plugs into any standard 110-volt 60-cycle AC outlet. Control and light source are placed at point-of-count for machine output, piece goods, bottles, etc.



HENRY P. MacKEEN

has been appointed a director of the Nova Scotia Trust Co.

JACK: I'm finding Exporting a fascinating business, Bill, and I still have a lot to learn about it. Tell me, do you think that shipment by air will ever be practical for Exporting—or is it too costly?

BILL: Why Jack, Air Express and Air Cargo Service is here right now. Our Company makes use of it all the time, and the increased speed in delivery has paid-off many a time. We wouldn't want to be without it, now.

JACK: But isn't the cost prohibitive, except in rare emergencies?

BILL: Not a bit! To many destinations throughout the world, sizeable shipments can be handled by Air Service cheaper than by ordinary freight . . . and that's a fact!

JACK: I'll sure have to look into that. Is it pretty complicated?

BILL: Canadian-European Forwarders make it *easy* for you. Get in touch with their Air Transport Department, and they'll prove it. They can arrange Air Shipments to any part of the globe. They do the whole job, including the complete documentation, with all Customs Invoices made out in the language of the country of destination. You have no worry, no trouble — and I've often told my Board of Directors, "When Canadian-European Forwarders do a job, it's done *right*."

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STAR WEEKLY — THE STANDARD
LA PRESSE — SUNDAY LA PATRIE

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

INTERNATIONAL PAPER CO. 1946 retained net profit was almost treble that of 1945 at $30,052,379 ($10,125,431). Total production for the company and its subsidiaries amounted to 2,671,603 tons (2,488,768). Total sales amounted to $287,867,668 ($234,245,619). Earnings per share of common stock after allowing for full year's dividend on new 230,000 cumulative $4 preferred stock now outstanding amounted to $8.50 as compared with $2.14 in 1945.

Mills of the Canadian subsidiary produced 687,373 tons of newsprint, 166,663 tons of dissolving pulp, 44,838 tons of other sulphite pulp and 5,150 tons of other pulp and paper grades. This represented an increase of 82,653 tons over 1945.

During early 1946 arrangements were made with the Canadian Income Tax authorities and the Foreign Exchange Control Board of Canada which resulted in transfer of funds from Canada to the United States. It is therefore no longer necessary to carry the current earnings of foreign subsidiaries to reserve as has been done in previous years.

CONS. INCOME AND SURPLUS ACCOUNT

Year Ended Dec. 31:	1946 $	1945 $
Net sales	287,867,668	234,245,619
Net earnings	67,957,325	43,318,575
Less: Deb. int.	691,805	2,405,941
Deprec.	10,658,496	11,602,323
Depletion	1,271,149	1,060,353
Amort. of disc.	66,518	177,513
Inc. tax res.	25,216,978	17,947,014
Retained profit	30,052,379	10,125,431
Add: Nonrecurr. items	1,126,669	850,174
Less: Trans. to res.▲	......	2,429,527
Total profit bal.	31,179,048	8,546,078
Less: Pref. divd.	2,752,737	4,629,830
Com. divds.	9,062,594	......
Surp. for year	19,363,717	3,916,248

▲Comprises net profits of foreign subsids. (over 99% Canadian) including ref. EPT. In 1946 such profits were not transferred to reserve but retained in total profit.

Times Fixed Charges Earned:		
Before depr. & depl.	89.62	16.77
After depr. & depl.	73.88	11.87
Earnings per Share and Dividend Record:		
4% Pref.: Earned	$135.56	*$9.23
Paid (old)	3.96	5.00
Paid (new)	2.00	......
Common: Earned	7.98	2.10
Paid	2.25+0.75	......

*Old stock.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & Dom. bds.	$25,576,862	$32,421,555
U. S. tax notes	206,535	3,949,874
Accts. rec.	19,628,508	14,151,915
Inventories	43,103,702	32,053,536
Total curr. assets	88,515,607	82,576,880
Def. assets & exp.▲	4,073,675	7,560,426
Investments	8,714,980	22,545,958
Cash res.	......	11,550,000
Cap. exp. fund	17,000,000	......
Plants & props.■	105,342,955	101,431,741
Woodlands	28,886,076	26,692,814
Total assets	252,533,293	252,357,819
Accts. pay.	10,780,853	7,930,789
Funded debt oblig.	2,265,000	2,564,749
Accr. taxes, etc.*	12,380,371	6,616,802
Total curr. liab.	25,426,224	17,112,340
Funded debt•	18,120,000	46,568,061
Reserves	20,273,869	19,896,272
Stocks of subs.	178,605	178,605
Capital stock	76,400,000	120,554,230
Cap. re pf. conv.	40,430,070	......
Capital surp.	12,799,622	11,929,748
Surplus▲	58,904,903	36,118,563
■After depr. of	123,908,551	116,039,827
▲Incl. ref. EPT	......	2,769,900

•After deducting bonds fully assumed by subsidiaries of Inter. Hydro-Electric System in 1945.

*After deducting $6,388,263 U. S. Tax Anticipation Notes in 1945, $16,557,247 in 1946.

Working capital	63,089,383	65,464,540

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THE *NORSEMAN V*

"THE ONE-TON TRUCK OF THE AIR"

FOR cargo or passengers—on wheels, skis or floats—it's the commercial model of the renowned USAAF C-64, but with an *extra* 500-pounds payload capacity which is *all profit*. The Norseman V is—

ECONOMICAL—Note these estimated operating costs—Fuel, $6.28 per hour; total cost per hour of operation, $21.30; cost per ton mile, $0.156. Complete data on estimated operating costs gladly supplied in brochure form on request.

VERSATILE—The Norseman is a versatile plane—was chosen for use with the Byrd Antarctic Expedition, and is being used by Government departments, fleet owners and private individuals. For such varied duties as cargo transport, forest patrols, exploration, industrial development, air ambulance, crop dusting, feeder lines for passenger service, etc.—this rugged utility plane has proved its ability to do an efficient job.

CONVERSION KITS—Owners of the USAAF C-64 can obtain from us the necessary kits to convert to a Norseman V with its greater payload—or can fly the aircraft in to us for conversion.

PRICES, INCLUDING STANDARD EQUIPMENT *and* PROPELLER, *but* EXCLUDING ENGINES

Landplane	$ 29,000
Seaplane	34,000
Skiplane	30,500
P & W R1340 Engine, Less than 100 hrs. use	5,000
P & W R1340 Engine (New)	9,830

(Prices subject to change without notice)

THE NORSEMAN V is now available for immediate delivery, subject to prior sale or commitment. Write for full particulars, performance data and illustrated catalogue.

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Brandon Takes Over Manitoba Winter Fair

From Our Own Correspondent

WINNIPEG—The Manitoba Winter Fair, nearest western counterpart of the Royal Winter Fair at Toronto, and for years conducted by the Brandon Winter Fair and Livestock Association, in future will be carried on by the city of Brandon.

The Association, incorporated 20 years ago, hasn't funds to keep going. When it started it issued debentures of $200,000, guaranteed by the province. With accumulated interest the debt has now piled up to $458,000. The Association has handed all its assets to the city of Brandon—land, buildings, and some cash obtained from the Dominion Government for rent of the premises during the war.

Want Smaller Regions Eligible for Benefits

EDMONTON — Alberta legislature has asked the federal Government to reduce the size of the qualifying area for benefits under the Prairie Farmers' Assistance Act. Under existing regulations, a basic unit eligible for benefits under the Act is a full statutory township. A portion of contiguous townships may be damaged by hail and floods but not be eligible for benefits. The change requested is for a qualifying area of 18 adjacent sections of land within one or more townships.

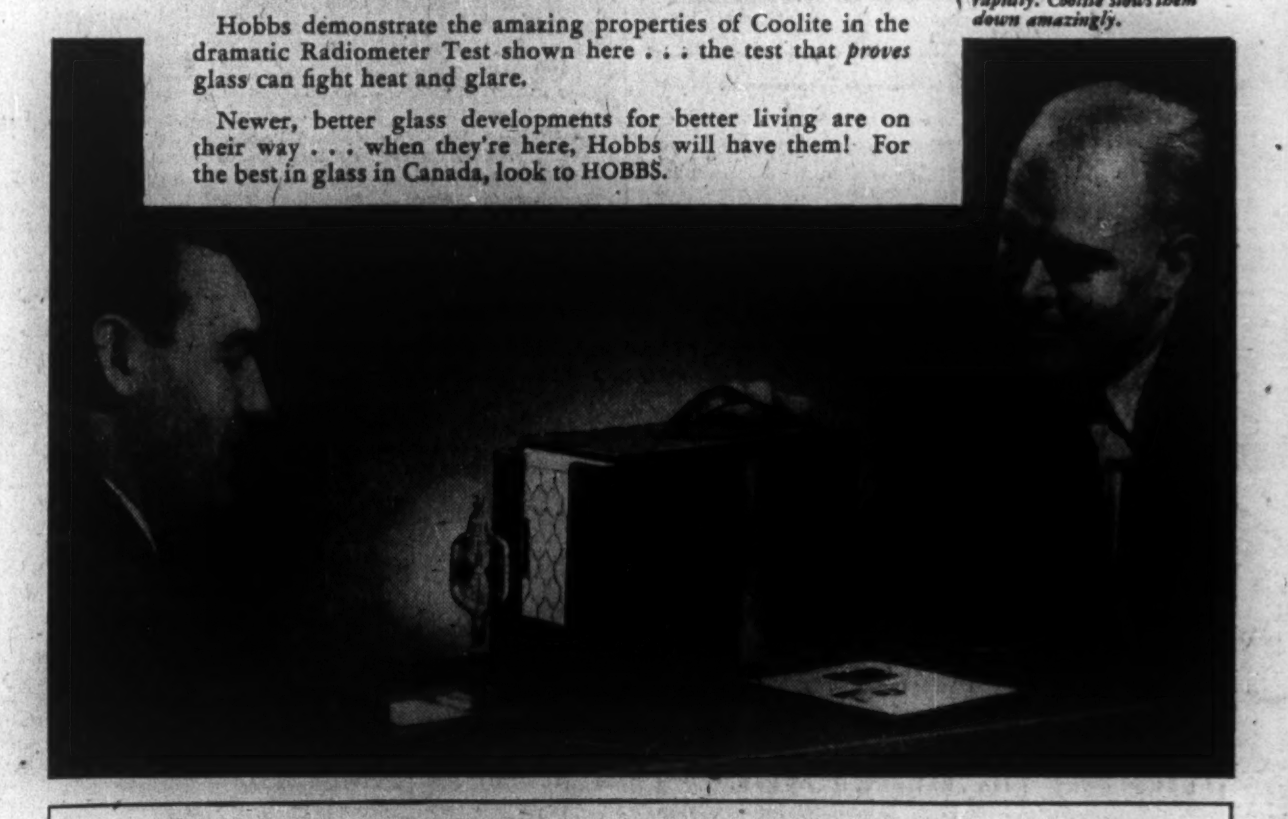
Here's proof... *that glass can tame the sun!*

Modern glass research has learned how to make the sun *behave!* Here at last is glass for factory windows that reduces employee eyestrain and fatigue, cuts down product spoilage—by 'filtering out' as much as 48% of solar heat and glare!

This glass is often referred to as COOLITE in Canada . . . and like other glass products sold by Hobbs, Coolite is the result of exhaustive scientific research and laboratory tests.

Hobbs demonstrate the amazing properties of Coolite in the dramatic Radiometer Test shown here . . . the test that *proves* glass can fight heat and glare.

Newer, better glass developments for better living are on their way . . . when they're here, Hobbs will have them! For the best in glass in Canada, look to HOBBS.



● *Vanes of the Radiometer react to heat by spinning rapidly. Coolite slows them down amazingly.*

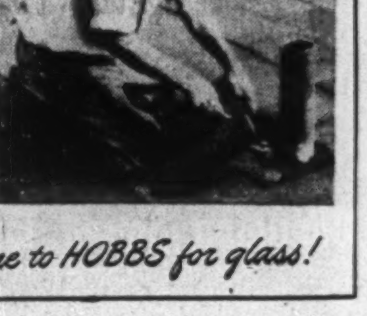
Now insulate permanently with Foamglas!

Here at last is a permanent insulation, made of glass and air! Rigid and strong, Foamglas will not swell, shrink, powder or rot. It is waterproof, verminproof, fireproof . . . withstands the attack of most acid fumes. It will not slip, slide or pack down. Yet it is so light that it floats!

On roofs, in walls and floors, Foamglas helps control temperature . . . eliminates maintenance.

With Foamglas, first cost is last cost! For descriptive folder write to Hobbs Glass Limited, Dept. L3, London, Canada, or call our local branch—there's one near you!

Come to Hobbs too for: Twindow insulating windowpanes • PC Glass Blocks • Corrugated glass • Coolite glare-reducing glass • Herculite tempered glass • Nucite glass chalkboard • Plate glass • Safety glass • Mirrors • Carrara • Plexiglas



Look to GLASS for better living— HOBBS GLASS LIMITED *come to HOBBS for glass!*

'47 Surplus of $122,635 Is Promised Nova Scotia

Nova Scotia will have a surplus of $122,635 for the fiscal year ending Nov. 30, 1947, Premier and Provincial Treasurer, A. L. Macdonald estimated in his budget speech last week.

"We are able to show this surplus without taking into account any revenue receivable from Ottawa under a Dominion-Provincial agreement," Mr. Macdonald pointed out. "We have not signed any such agreement, and have not reckoned on any additional money from the Dominion treasury."

No new tax burden has been imposed on the people, although the provincial gasoline tax was raised three cents a gallon (to 13c.) when the Dominion withdrew its three cent tax.

Revenue Seen Lower

Revenue for the current fiscal year is estimated at $22,370,484, about $176,000 below actual revenue for last year. Some $871,000 is expected from the additional three cent provincial tax on gasoline. Profits of the Nova Scotia Liquor Commission are estimated at $900,000 less than in the last fiscal year, in anticipation of a drop in sales.

Expenditures are estimated at $22,247,849, including $999,040 for sinking funds and are some $2.6 millions larger than actual expenditures last year. Expenditure for education is up $811,000, the bulk of this being earmarked for better salaries and more assured pension arrangements.

Estimated expenditure for highways, including $602,078 to sinking funds on money borrowed for highway purposes, totalled $6,947,765; some $400,000 more than the province receives in the way of highway-revenue.

Expenditures on public health are 20% greater than last year, and expenditures on public welfare, mothers' allowance, old age pensions, and pensions for the blind, will also be up substantially, it is stated.

Tax Agreement Possible?

A week earlier Mr. Macdonald wired Hon. D. C. Abott, Dominion Minister of Finance, that if the Dominion would agree to three proposals, he could see no reason why a tax agreement between Nova Scotia and the Dominion could not be speedily reached. His conditions were that a conference be summoned at an earlier date than one year before the expiration of the proposed agreement; that the Dominion abandon the amusement pari mutuel and electricity tax field; and that "the province will not impose any new or additional taxes in these fields for this year, and probably not for several years, if ever."

Mr. Abbott's reply indicated agreement to call a general conference at least one year prior to the expiration of the tax agreement, but stated the tax on electricity "is part of the ordinary sales tax, which is an indirect tax, and therefore not available to provinces," and that the Dominion would withdraw from the amusement and pari mutuel tax field "if adequate compensation is paid by the provinces."

Mr. Macdonald quotes his arguments on these points, and concludes that "we still hope for a just settlement of the points still at issue between this province and the Dominion."

Sask. Highest In Gas Prices

From Our Own Correspondent

REGINA—Saskatchewan motorists are paying more for their gasoline than those in any other part of Canada, as a result of the tax readjustment and price increases effective April 1.

Gasoline in Regina now costs 40c. a gallon for No. 1 grade, compared with 37c. in Winnipeg, 38c. in Edmonton and 31c. in Vancouver. In country points it ranges from 40 to 43c.

New Saskatchewan retail prices represent a general increase varying from half-a-cent a gallon for second grade farm fuels to three and one-half cents and two and one-half cents a gallon for motor car gasoline and tractor distillate.

Regina motorists are now paying 38c. a gallon for second grade gasoline, (formerly 35½c.). Oil for ordinary household oil burners now costs 12 and one-half cents a gallon, (formerly 11 cents).

On April 1 the Dominion three cent tax was lifted; the province imposed a two cent tax; the oil companies' retail price went up three and one-half cents, leaving a net increase to consumers of two and one-half cents a gallon.

Choice CHATHAM CHANCE
Business Property Invites Tenders

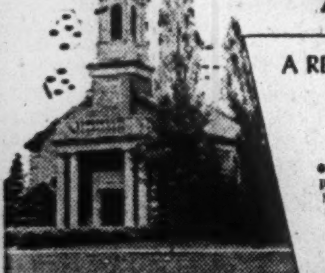
On its main street, centred in the heart of the City of the Year, is an amazing business site for those progressively minded.

On it stands the former market building, a two-storey structure long since outmoded, but now making possible this remarkable site for a modern business or mercantile structure.

The present building is 100 feet long by 40 feet wide, but the property protrudes another 14 feet out in front. It stands on a three-sided island with the main business street in front, and on each side two wide streets, which continue to be used as curbside markets on certain days.

The City of Chatham, owner of the property, through its council, invites immediate tenders for its sale, reserving to itself the choice of any action.

CONTACT: City Manager, T. M. S. Kingston,
Harrison Hall, CHATHAM, Ontario.



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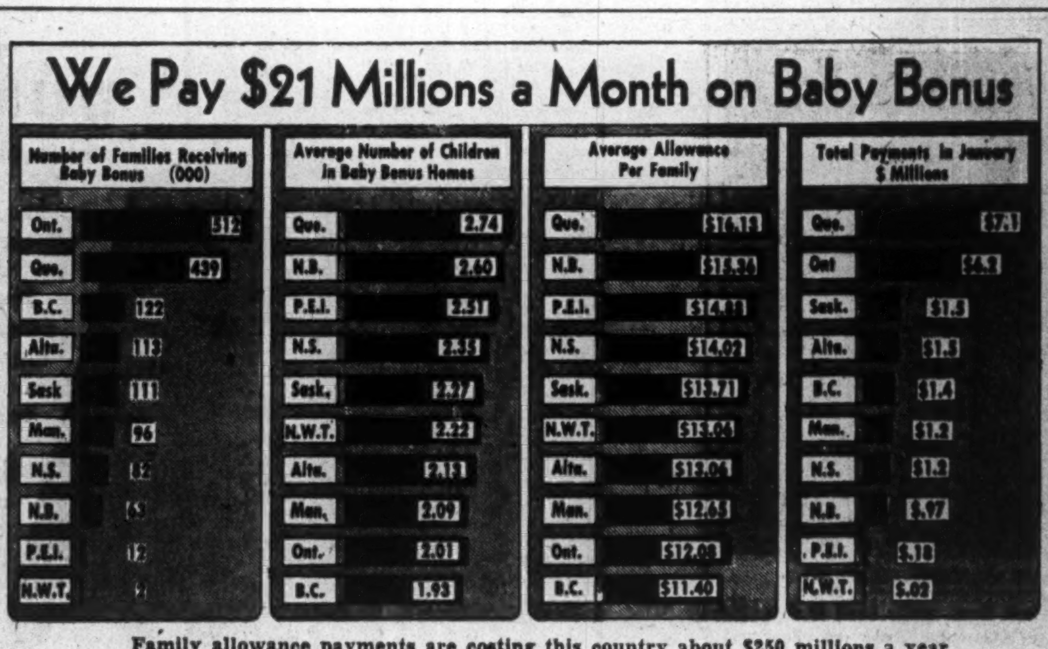

Family allowance payments are costing this country about $250 millions a year at the present time. This chart shows where the money is going, how many families are sharing and where they live, and how much they're getting. In each case, Quebec heads the list. The information was derived from a House of Commons return which revealed some hitherto unknown details of Canada's newest piece of social legislation.

Vanishing $6 Millions Is ? in Quebec Budget

Surplus Left in Education Fund to Be Spent, Isn't Shown as Revenue — $9.6 Surplus Estimated by Gagnon

MONTREAL (Staff) — After a week or two of mulling over Provincial Treasurer Onesime Gagnon's budget speech Quebec taxpayers are still trying to unscramble budget figures.

Rosiest part of the budget picture is the estimated $9.6 millions surplus for the fiscal year ending March 31, 1948. This is made possible, however, by the nonrecurring item of $20.5 millions which Quebec collects from Ottawa for provincial tax arrears, which were left with the Dominion Government under the 1942 agreement.

Taxpayers, however, are now talking about the case of the vanishing $6 millions . . . the surplus left in the education fund at the end of the 1946-47 fiscal year. According to 1947-48 budget estimates this sum is going to be spent, but does not show up on the revenue side. Thus they reason Hon. Mr. Gagnon could properly have shown a still larger surplus if he wanted to.

Quebeckers generally are interested in the fate of the educational fund which was set up to bail out the various provincial school commissions which were in default. Money for this fund is obtained by stumpage duties and tax on developed horsepower paid largely by utility and pulp and paper companies.

Responsible For Surplus

In Mr. Gagnon's interim statement of revenues for the year ending March 31, 1947, revenues to the education fund are shown as $14.1 millions. Expenditures out of the fund are given as $8 millions; thus leaving a surplus in the fund of $6.1 millions. In the interim statement the educational fund, while shown as a separate item, is treated as part of ordinary account in the aggregate totals.

On analysis, then, it appears that the educational fund was entirely responsible for the overall surplus of $1.1 millions shown for the year ending March 31, 1947.

Still A Question Mark

In the estimates for the fiscal year ending March 31, 1948, Quebec taxpayers find it still more difficult to determine just what is happening to the educational fund. According to the estimates, revenues to the educational fund during the coming year will total $7.8 millions after deducting a contribution of $6.6 millions to the department of education.

At the same time, estimated expenditures from the fund total $14 millions. Thus it appears that the province plans to spend the $6.1 millions educational fund surplus but this figure does not appear as a revenue item. Net effect of this is to reduce the estimated surplus by $6.1 millions. The following table indicates what appears to be planned for the educational fund during the present fiscal year: (ooo's omitted)

Surplus in fund at Apr. 1, 1947 . . . (not shown in budget estimates)		$ 6,100
Estimated revenue to fund after contribution to Dept. of Education . . .		7,870
Portion of estimated revenue given to Dept. of Education* . . .		6,630
		$20,600
Expenditures:		
Estimated . . .	$13,970	
Contribution to Dept. of Education as per contra . . .	6,630	
		20,600

*The contribution from the educational fund to the Department of Education does not appear in the budget estimates as part of the estimated expenditures of the department nor as revenue to the department.

Used To Adjust Surplus

The most significant feature of this treatment of the educational fund is that it was used in 1946-47 fiscal year to create a surplus while in 1947-48 it tends to decrease the estimated surplus if it has not been included somewhere in the estimated revenues. It is pointed out that if the surplus is included in the estimated revenues for 1947-48 it is well camouflaged since it does not appear in the revenues for the educational fund nor as a separate item in the revenues of the other departments.

With corporation tax up to 7% plus an increase on stumpage dues for the 1947-48 fiscal year, taxpayers are wondering why the estimated surplus should be cut back by $6.1 millions. On the other hand if the $6.1 millions has been distributed somewhere among the various estimated revenues the effect is the same as in 1946-47, i.e., the surplus has been boosted by virtue of the educational fund.

Disposition of any surplus in the educational fund is provided for in Bill 41 which states that any balance in the fund which is unused on March 31, 1947, and of each subsequent year shall be paid into the consolidated fund, and applied for educational purposes for and during the following fiscal year. Without benefit of legerdemain Quebec taxpayers are wondering which branch of education is going to benefit by the $6.1 millions surplus. One observer states that a subtitle for the educational fund might be "surplus-adjusting" fund.

Estimates Conservative

Outside of the case of the vanishing $6 millions, the 1947-43 budget is highlighted by the conservative estimates both of revenues and expenditures. Estimated expenditures, at $108 millions, are down approximately $6 millions from the previous year. Part of this is the result of a $5 millions slash in estimates for education. This cut is offset, however, by the $6.6 millions given to education from the educational fund, which does not appear in the estimates.

On the revenue side the $21 millions owing by the Federal Government is by all odds the most significant item. With an estimated surplus, however, only about half of this will be used this year. With no tax agreement in sight between Quebec and Ottawa, this surplus may come in handy in avoiding the introduction of provincial personal income tax next year, it is thought. Provincial income from gasoline is estimated at $22.2 millions or an increase on this item of $6 millions over 1946-47. Corporation taxes are also expected to yield an additional $5 millions this year. Offsetting these increases to some extent, however, is the estimated $7 millions decrease in revenue from the Quebec Liquor Commission.

Mr. Gagnon stated that the net debt of the province had been reduced by more than $8.1 millions to $291,312,000 at March 31, 1947.

PGE Will Run Bus, Truck Line

From Our Own Correspondent

VANCOUVER — The province will provide its own railway, the Pacific Great Eastern, with $200,000, to buy buses and trucks to operate a passenger and freight service over the John Hart Highway into the Peace River district.

Premier J. Hart, who is also president of the P.G.E., told the legislature that the new sum is in addition to $633,000 already provided to buy railway rolling stock. The line now plans to acquire 50 passenger buses, three seven-passenger automobiles, four trucks with a 10-ton pay load capacity, four four-wheel trailers of the same pay load, and four one-and-a-half-ton panel trucks.

With the other sum, the railway intends to acquire 75 new standard steel box freight cars: 21 new standard steel flat cars, and two new Mikado-type locomotives. Used equipment to be bought will include a passenger coach, three sleeping cars, one dining car, and one baggage and express car.

When the new $6 million highway is open from the end of the PGE next spring, it will be possible to make the trip from Dawson Creek to Vancouver by way of Squamish, a distance of 747 miles, in 47 hours. The bus service will provide three trips weekly running from Dawson Creek to Quesnel, to connect with the P.G.E. train.

"Forward Cover" Exchange Period Is Again 90 Days

OTTAWA (Staff) — With the return of more normal deliveries from U. S. manufacturers, the "forward cover" period of U. S. exchange has been reduced from 180 days to 90 days.

"Forward cover" is used in the purchase of U. S. goods, guaranteeing Canadian purchasers against fluctuations in Canadian exchange from the time of placing the order to delivery of the goods.

During the war, the 90-day rule was found adequate. In the reconversion period, Canadian industry was placing its orders as far in advance as the United States would take them. To smooth out administration problems, the Foreign Exchange Control Board extended the "forward cover" term to 180 days.

Possibility of foreign exchange speculation through "forward cover" was slight since the cover is granted only on the basis of firm commitments for specified goods at specified prices.

The return of the regulation requiring purchasers to fill out a form, previously not necessary for amounts less than $100, will enable FECB to keep a check on purchasers of U. S. funds and will act as a bar on speculation that the Canadian dollar will again be devalued.

FECB Changes Security Rules

Two changes in the Foreign Exchange Control Board's regulations, effective this week, were made governing trading with nonresidents in Canadian government securities.

Effect of these changes will be to improve the market for Dominion of Canada bonds in New York and to make it more difficult to arbitrage securities between the two markets.

The changes were:

(1) Proceeds of sale by residents on outside markets of Canadian-pay securities now may be reinvested only in securities of the same type. Previously the proceeds could be reinvested in any type of Canadian or foreign security.

(2) Proceeds of sale of long term Canadian government securities payable solely or optionally in United States dollars now may be reinvested solely in securities of the same classification or in U. S. securities. Previously these proceeds were eligible for investment in any other Canadian securities payable in U. S. dollars or in foreign securities.

The former regulations appeared to have had the effect of linking movements in the price of Canadian government securities in New York to those of Canadian stocks in the New York market, it is stated. Nonresidents of Canada would send Canadian stocks to Canada for sale against export of Dominion of Canada internal bonds, which would then be sold in New York. This tended to produce wider fluctuations in the price of Canadian government securities in the American market than would otherwise occur.

Recently the price of Dominion of Canada internal bonds dropped to about $94½ New York as against the Canadian price of around $105. Since the change in regulations, Canadian long-term internal bonds have strengthened in New York to about $96½—$97.

Aims to Open Plant in June

From Our Own Correspondent

WINNIPEG — Prairie Canners, recently incorporated in Manitoba with plans for a chain of vegetable canneries (The Financial Post Feb. 1), on April 9 laid the cornerstone of its first plant, at Winkler. Company officials said they'd be ready to roll June 20 and that contracts had been made with 420 district growers.

Prairie Canners announces it has bought $26,000 of seed supplies and is distributing them to its growers, to be paid for when crop deliveries are made next fall; that materials and machinery for the plant already have been bought and most of it delivered.

Capital cost estimates: Cannery building and its service equipment $32,598 plus $83,072 for processing equipment, installed; for a proposed adjoining quick freeze unit, $16,000 and $24,000; total $155,630.

Goals for 1947 canning or processing at Winkler: peas 1.6 million lb.; beans 1¼ million lb.; corn 4.8 million lb.; lima beans 50,000 lb.; beets, carrots, other vegetables 500,000 cases.

Television Set Possible in '47

But Only if Relayed From U. S.; Domestic Brand Remote

Symbolic of trends across Canada, Ontario Radio and Appliance dealers in their Toronto convention this week were told:

Rising production curves and dropping demand curves are likely to cross late in 1947, with the return at the time to a competitive market;

Ontario has a potential $480 million market for household electric appliances;

Television is still several years distant in Canada.

"Canada can benefit sooner from the added employment and accelerated business expansion arising from television if official approval is given reasonably soon," F. W. Radcliffe of RCA Victor told the convention. "It will probably take several years, from the time engineering starts, to produce television. This development could be expedited by the Dominion Government appropriating funds to build and put into operation experimental transmitters in the major population centres."

It was possible that television receivers could be made to sell in Canada from $295 to $425. By relaying programs from the United States, Toronto, Hamilton and Windsor might be served in 1947; Montreal, Winnipeg and Vancouver in 1948, based on U. S. expansion plans.

Forecast that, barring strikes or disturbances, the competitive market would be reached in the last quarter of this year was presented by L. Butters, manager, applicance division, CGE. Refrigerator sales are only 28% of saturation; electric ranges 23% and washers 54% in the 1,700,000 wired Canadian homes.

Opposition to the possible application of the Workmen's Compensation Act to retail stores, as an unnecessary added cost, and to the five-day week achieved by closing for a complete day during the week, was voiced by S.A. Boswell, Hamilton, president of the Ontario division, Retail Merchants Association.

Wilfred Hodgins of London was re-elected association president.

255 Companies Formed In N. S.

From Our Own Correspondent

HALIFAX—A total of 255 companies was incorporated in Nova Scotia during the year ending Nov. 30 last, an increase of 61 over the preceding year. Of this number, 19 propose to issue their stock at no par value.

The number of companies holding certificates of registration rose to a new high of 2,122. One hundred and twenty-seven companies owning fishing vessels have been incorporated to date, 247 rural telephone companies and 11 mineral prospecting companies, including two formed during the past year.

Cash revenue of the Department of Provincial Secretary during the year was $1,703,011.22. ($1,672,158.51 in 1945). Of this $1,384,109.43 came from the Federal Government to compensate for the surrender of corporation taxation.

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For full information by correspondence or personal interview write:

Secretary—The Renfrew Board of Trade
Renfrew — Ontario

MYW

HOW TO READ A BALANCE SHEET . . .

It's surprising, but even some experienced investors never fully understand the facts revealed by the figures contained in a balance sheet.

But if you know how to interpret a Company's balance sheet, your knowledge and understanding of its financial position will enable you to make a better appraisal of the values behind its securities.

Moreover, you will then be better qualified to select the securities best suited for your own investment needs.

In the belief that it will be useful to all investors, we have just published a revised edition of our booklet "*How to Read a Balance Sheet*." It explains in simple language the meaning of the various items which go to make up a balance sheet.

If you would like a copy of this valuable booklet we shall be glad to send it to you with our compliments upon a telephone or written request.

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COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

PRICE BROS. 1946 net profit was up 160%. The company redeemed the 5% 1957 first mortgage bonds and the 5½% cumulative redeemable preferred shares and replaced these issued by $9,835,000 3¼% first mortgage bonds and $5 millions 4% cumulative redeemable preferred shares. Assessments for income and excess profits taxes for the years 1940 to 1945 were received and settled, reserves set up for that purpose proving sufficient.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings	$13,283,313	$6,833,463
Less: Deprec.	1,645,000	1,390,000
Depletion	501,000	455,000
Int. on bonds	439,129	554,075
Income tax♦	5,882,000	2,585,000
Net profit*	4,816,184	1,849,388
Less: Pref. divds.	256,069	309,029
Com. divds.	821,785	821,785
Cont. res.	500,000	750,000
Surplus for year	3,238,330	•31,426
♦Incl. ref. EPT	......	305,000

•Deficit.

*Note: Co.'s report includes ref. EPT in net profit and surplus for year.

Times Bond Interest Earned:		
Before depr., depl.	30.25	12.33
After depr., depl.	25.36	9.00

Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$96.32	†$32.94
Incl. ref. EPT	96.32	†38.38
Paid (new)	2.00	......
Paid (old)	2.78014	5.50
Com.: Excl. ref. EPT	8.32	2.81
Incl. ref. EPT	8.32	3.37
Paid	1.50	1.50

†Old stock.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1946	1945
Cash	$884,984	$382,695
Accts. rec.	3,900,930	2,855,276
Secs., mkt. val.	3,247,309	3,905,228
Inventories	12,822,713	10,782,872
Total curr. assets	20,855,936	17,926,071
Misc. assets▲†	2,489,759	2,942,961
Fixed assets*	36,278,950	36,801,504
Total assets	59,624,645	57,670,536
Bank loan	......	896,000
Accts. & tax. pay.	5,516,470	3,606,295
Other curr. liab.	126,636	261,880
Total curr. liab.	5,643,106	4,764,175
Contingency res.	500,000	1,500,000
Funded debt	9,835,000	11,400,000
Capital stock	26,803,780	27,417,480
Capital surplus	‡10,323,553	9,192,515
Earned surplus▲	6,519,206	♦3,396,366
*After depr. & depl. of	35,542,041	33,584,150
†Incl. Hearst notes.	......	311,258
▲Incl. ref. EPT	952,267	974,000
Working capital	15,212,830	13,161,896

♦Reflects payments re employees' pensions of $2,279,306.

‡Reflects credit adjustments re bonds & investments of $1,131,038.

BATHURST POWER & PAPER CO. 1946 net profit was up 164%. Sales increased from 115,181 tons to 122,304 tons and dollar value from $7,986,326 to $11,753,798, both establishing new all-time highs. The consolidated statements presented are not comparable with previous year since financial position and the results of the operations of the two shipping containers subsidiaries, Shipping Containers, Ltd. and Kraft Containers Ltd., are now included. These two subsidiaries contributed substantially to earnings, it is stated.

Capital expenditures for additions to properties during 1946 amounted to $593,680. These were a part of the general program of rehabilitation and included improvements to the kraft pulp mill and kraft liner and corrugating board mill which resulted not only in reducing basic costs, but also added somewhat to productive capacity. A new and well-equipped laboratory for development and research work was added to the plant. The company has placed an order for an additional steam turbo-generator unit with a rated capacity of 7,500 kw. Bank loans increased from $600,000 to $1,400,000, but since Dec. 31, 1946, the loan has been reduced to $1 million.

Demand for company's products and those of subsidiaries continues as throughout last year, in excess of supply, and directors look forward to the future with confidence.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net sales	$11,753,798	$7,986,326
Gross income	2,442,677	1,168,818
Less: Deprection	489,877	400,062
Depletion	116,402	105,477
Bank int.	65,079	......
Subs. depr. res.	......	5,501
Employ. pension	50,000	50,000
Income tax res.	795,000	285,000
Add: Cont. res.	70,000	55,000
Net profit	996,319	377,778
Less: Cl. A divds.	400,000	400,000
Surplus for year	596,319	*22,222

*Deficit.

Earnings per Share and Dividend Record:		
Cl. A: Before part.	$2.49	$0.94
Paid	1.00	1.00
Cl. B: Before part.	......	d1.41
None paid.		
Cl. A: After part.	2.28	......
Cl. B: After part.	0.28	......

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1946	1945
Cash	$984,741	$403,747
Investments▲	21,617	44,660
Accts. rec.	993,477	634,784
Inventories	4,092,680	3,694,711
Life ins. c.s.v.	31,074	......
Total curr. assets	6,123,589	4,777,902
Inv. & adv. assoc. cos.	......	1,117,882
Misc. assets*	577,262	338,383
Fixed assets	20,013,401	17,338,768
Total assets	26,714,252	23,572,935
Bank loan	1,400,000	600,000
Accts., taxes, etc., pay.	1,437,424	753,733
Total curr. liab.	2,837,424	1,353,733
Deprec. & deplet.	6,431,826	5,290,160
Conting., etc., res.	52,170	120,767
Capital stock	15,240,000	15,240,000
Surplus*	2,152,832	1,568,275
▲Market value	22,553	45,550
*Incl. ref. EPT	†12,184	6,863
Working capital	3,286,165	3,424,169

†Shown as $102,647 in deferred assets, difference applicable to subs. at acquisition.

ALUMINIUM LTD. 1946 net profit was up 4.4% from 1945 retained net profit. Sales were off $3,299,653 at $110,698,088. During the year the Aluminum Co. of Canada, subsidiary, redeemed 150,000 5% cumulative redeemable sinking fund preferred shares of $100 par and issued 600,000 4% cumulative redeemable sinking fund preferred shares of $25 par, with facilities provided for an exchange of shares.

The $3 million reserve against future depreciation in inventory values, in the opinion of the management no longer required, has been restored to earned surplus.

Working capital position was down $8,990,586 at $79,485,079.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Sales	$110,698,088	$113,997,741
Oper. profit	30,785,587	29,983,456
Less: Bond & other int.	3,010,452	3,378,018
Net earnings	27,775,135	26,605,438
Less: Depr. & depl.	6,103,546	5,691,280
Inc. tax res.♦	9,417,344	8,582,828
Pat. & exp. amort.	20,828	19,821
Redempt. exp.	382,360	......
Loss on inv. sale in allied co.	•46,431	175,374
Subs. pf. divds.	637,500	750,000
Add: Asset sale prof.	228,314	423,710
Abate. note princ.	631,815	......
Net profit	12,120,117	11,809,845
Less: Pf. divds.	349,385	481,967
Com. divds.	6,699,690	5,955,280
Surplus for year	5,071,042	5,372,598
♦Incl. ref. EPT	......	39,070

•Profit.

Earnings per Share and Dividend Record:		
Pf.: Excl. ref. EPT	†	$163.01
Incl. ref. EPT	†	163.55
Paid	$6.00	6.00
Com.: Excl. ref. EPT	15.81	15.22
Incl. ref. EPT	15.81	15.27
Paid	8.00+1.00	6.00

†Redeemed Nov. 29, 1946.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1946	$1945
Cash	$15,488,062	$21,735,105
Mkt. secs.	43,259,096	59,257,206
Accts. rec.	21,551,115	*7,721,973
Inventories	30,316,670	20,948,373
Total curr. assets	110,614,943	109,662,657
Inv., subs. & afl.	16,332,277	16,050,856
Inv. in former enemy territory	13,204,771	13,208,874
Misc. assets▲	4,080,738	3,627,843
Fixed assets♦	118,721,610	113,276,119
Total assets	262,954,339	255,826,349
Total curr. liab.	31,129,864	21,186,992
Funded debt (subs.)	107,586,271	108,738,320
Advs. on sales contr.	......	1,630,561
Invent. res.	......	3,000,000
Other res. & cr.	2,398,183	2,532,453
Alum. Co. of C. pf.	15,000,000	15,000,000
Due re pf. red.	242,525	......
Capital stock	33,935,185	41,180,085
Capital surplus	8,439,600	1,194,700
Earned surp.▲	‡64,222,711	†61,363,238
♦After amort., depr. & depl.	227,145,908	222,957,494
▲Incl. ref. EPT	629,915	635,514
Working capital	79,485,079	88,475,665

‡Reflects redempt. of pref. shs., less refund of U. K. taxes, reserves no longer required and prior year adjust.

†After deducting $246,110 adjustments re prior years.

*After deducting forward aluminum sales.

BOBJO MINES has an interest in Lynn Lake area through its holding of 172,816 shares of God's Lake Gold Mines and with God's Lake has a group of 16 prospectors staking claims with Bobjo bearing a third of the cost, President R. J. Jowsey reports. Bobjo has acquired the properties of Johnson Knee Lake Gold Mines and will have a 75% interest in a consolidation proposed. A new company is also being formed to take over Atlin-Ruffner Mines.

Investment portfolio as at Dec. 31, 1946, included (shares): God's Lake—172,816; Dominion Magnesium—42,490; Rouyn Merger—78,390, Atlin-Ruffner—2,298,310; Eastcourt 173,417; Forty-Four—27,300; Sand River—486,875; Knee Lake—730,918; Bonville—187,000; American Nepheline—13,832; and other miscellaneous shareholdings.

Balance sheet as at Dec. 31, 1946, showed $12,143 current assets, excluding shareholdings, against $26,119 current liabilities including a $25,000 secured bank loan. Investments were carried at $876,815. Deficit forward was $3,156,421 and 4,186,802 shares were outstanding.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Interest	$221	$543
Dids. rec	604	2,294
Prof. on equip. sale	837	......
Total income	1,662	2,837
Less: Admin.	5,469	4,632
Bank int.	4,105	3,969
Prospect. exps.	1,863	6,608
Net loss	9,775	12,372

NORDON CORP. experienced a $9,035 loss in 1946, salaries and directors fees of $4,800 more than equalling total revenue of $3,371. Balance sheet as at Dec. 31, 1946 showed $944 including $773 cash, excluding investments, against $1,927 current liabilities.

Investments of $27,380 included $21,380 for 20,005 shares of General Exploration Co. of California which owns a 50% interest in a 500-acre lease which has two producing wells and the prospect of expanded production.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Oil & gas royalties	$1,896	$2,333
Other rev.	1,475	4,426
Total net rev.	3,371	6,759
Less: Oper. exps.	11,061	7,851
Deplet. & depr.	552	672
Taxes & other chgs.	793	732
Net loss for year	9,035	2,496

BRADFORD CADMUS

has been appointed a director of the Institute of Internal Auditors.

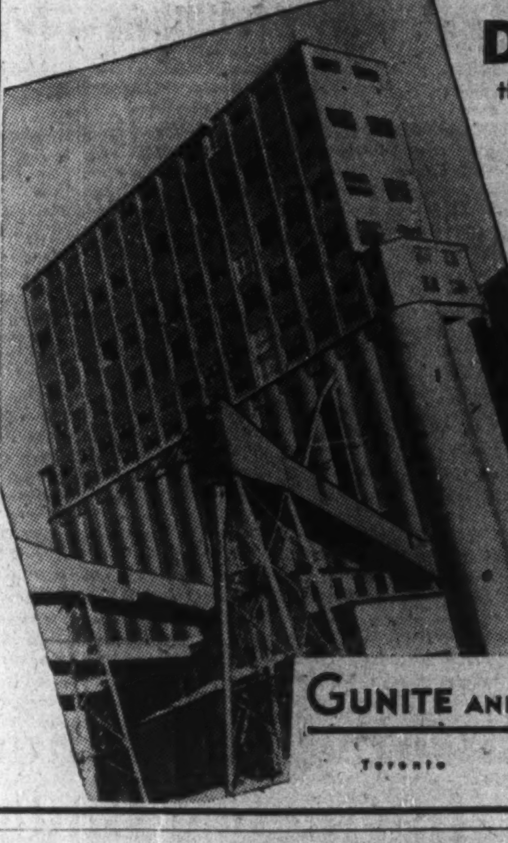
CALDER - BOUSQUET GOLD MINES says in 1946 annual report, that in view of favorable results of work done, engineers have recommended that a shaft be sunk to 350 ft with stations cut at 175 and 300 ft. A total of 13,794 ft. of diamond drilling was completed during the year, outlining East zone for approximately 400 ft. to a depth of 450 to 500 ft. Average structure width is 21.75 ft. Cross-sectional drilling west from the East zone indicated what might be another lens in hole No. 37. One assay ran 0.82 oz. over 1 ft. Another structure was indicated farther west. The South greywacke zone is now indicated to have a length of at least 700 ft. and an average width of 8.8 ft. The North conglomerate zone has an indicated length of 500 to 600 ft. and average width of 14.4 ft., company states.

Changed Policy For Canada Dry

An announcement by Canada Dry Ginger Ale forecasts establishment of local manufacturing plants by independent local capital. Under the new Canada Dry franchise proposal each local organization will be awarded an exclusive contract to manufacture, distribute and merchandise a complete line of Canada Dry beverages.

In a preliminary survey of existing bottling plants, it became apparent that in most markets a new company with new capital and new equipment, will be the most logical set-up to carry out the company's plans. With local plants eliminating heavy transfer and freight charges, it will now be possible to offer an individual sized bottle of Canada Dry throughout the country and thus invade the volume field of the carbonated beverage business, it is stated.

BELL TELEPHONE CO. OF CANADA has advised that an additional 828 shares have been issued under the terms of the Employees Stock Plan; also an additional 17 shares under the offering of rights to shareholders of record Sept. 25 last. Issued capital is 1,045,472 shares.



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The permanence of this treatment as compared to other methods of restoring such structures has been amply proven by experience of over 25 years. Half a million square feet of building surface has been coated by us in Canada already.

Dum Dum Masonoc is applied in a substantial thickness; bridges and fills cracks; expands and contracts with the building surface; heals its own surface whenever it becomes broken, and is acid resistant.

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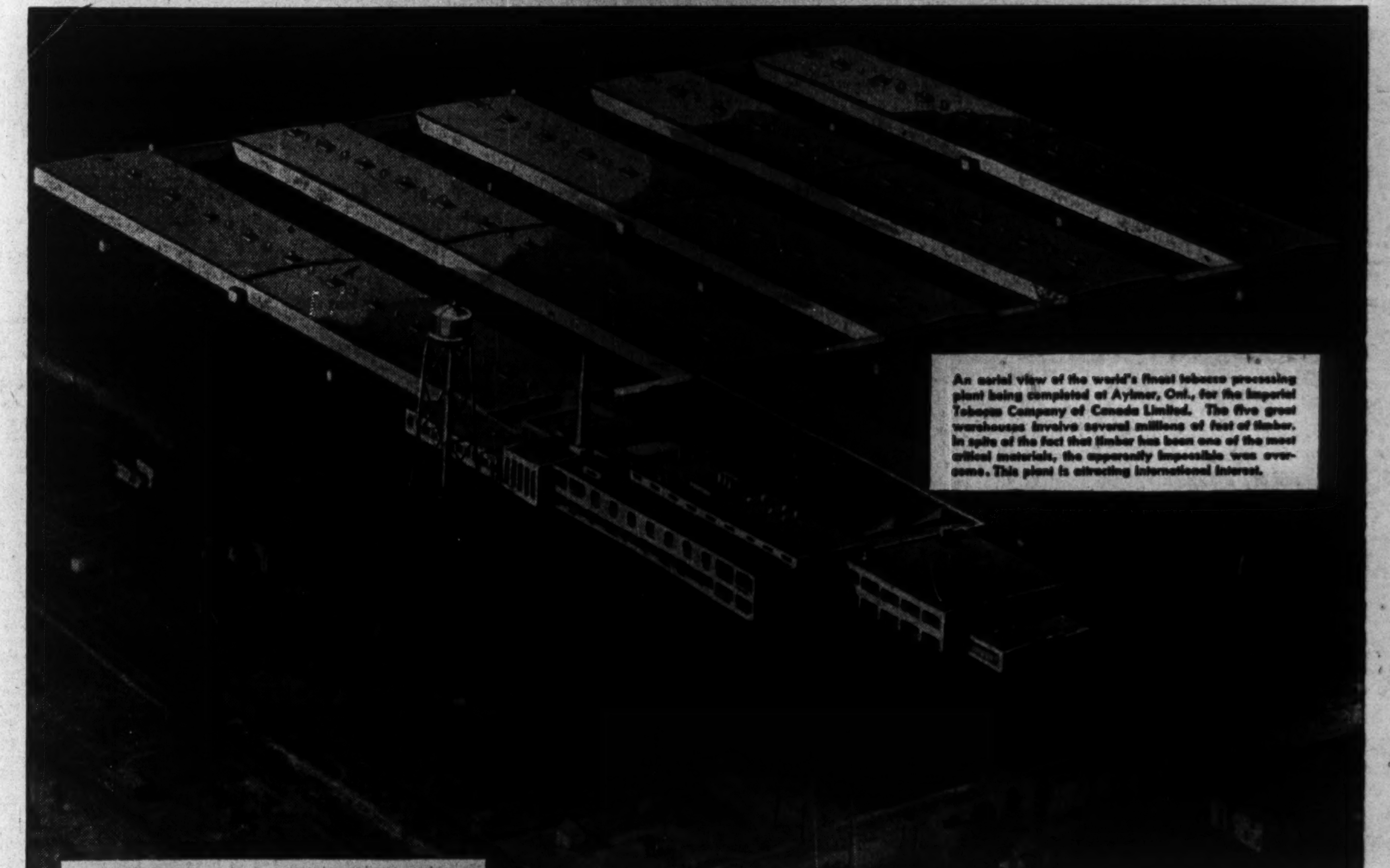
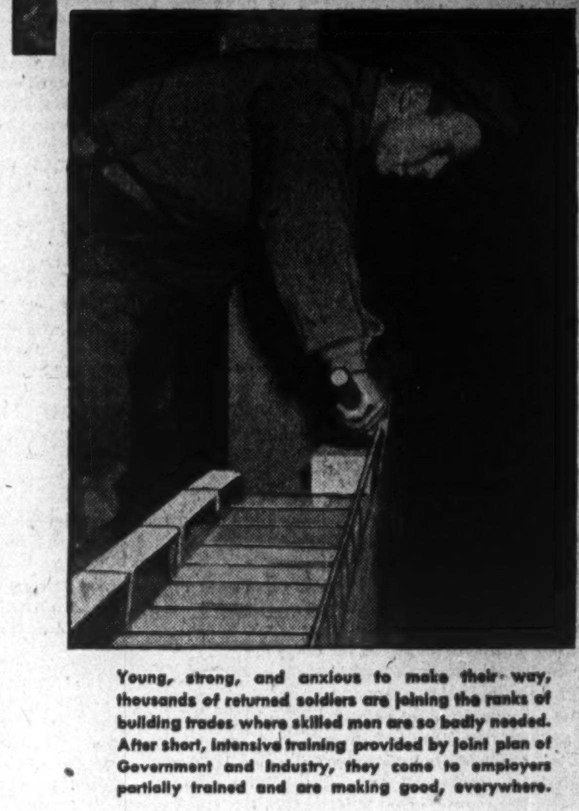


An aerial view of the world's finest tobacco processing plant being completed at Aylmer, Ont., for the Imperial Tobacco Company of Canada Limited. The five great warehouses involve several millions of feet of timber. In spite of the fact that timber has been one of the most critical materials, the apparently impossible was overcome. This plant is attracting international interest.

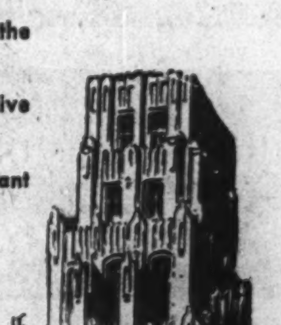


Young, strong, and anxious to make their way, thousands of returned soldiers are joining the ranks of building trades where skilled men are so badly needed. After short, intensive training provided by joint plan of Government and Industry, they come to employers partially trained and are making good, everywhere.

Plants NOW Under Construction by Pigott—

- STEEL COMPANY OF CANADA LTD.—Hot Strip Mill just completed; Cold Mill foundations just starting and a new office building; Hamilton.
- COCKSHUTT PLOW COMPANY LTD.—New Foundry and Forge; Brantford.
- CANADIAN GENERAL ELECTRIC CO. LTD.—Office and Showroom; Hamilton.
- IMPERIAL TOBACCO COMPANY LTD.—New $2,000,000 plant at Aylmer, Ont.
- AMERICAN BRAKE SHOE COMPANY LTD.—New plant at Lindsay;
- VICTORY MILLS LIMITED—New $2,000,000 Malting Plant on the waterfront at Toronto.
- GOODYEAR TIRE & RUBBER COMPANY LIMITED—Extensive additions at New Toronto.
- CANADA CEMENT COMPANY—New concrete elevator storage plant at Belleville.
- BRITISH AMERICAN OIL CO. LTD.—Clarkson.

Leading Canadian Industrialists, men who know, place their plans for expansion with *men who get things done.* They want organizations of proven performance. They want their building programmes in the hands of men who know how to solve their problems of material and labour shortages. Above are listed several outstanding industrial companies who have entrusted their building programmes to the Pigott Construction Co. Ltd. of Toronto and Hamilton.



PIGOTT BUILDING HAMILTON

PIGOTT CONSTRUCTION COMPANY LIMITED
PIGOTT BUILDING, HAMILTON HARBOUR COMMISSION BUILDING, TORONTO

The Financial Post

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"I Was a Phony Cheque Artist"

This Article Tells Businessmen How They Can Stop Losses to the Cheque Swindlers, as Told by a Professional With a Long Record of Profit – and Penitentiary – Behind Him

as told to Royd Beamish

As long as human nature remains what it is, businessmen will continue to be taken in by bad cheques and men like myself will make a comfortable living cashing them when we're not serving prison terms.

I've cashed literally thousands of them in the last 25 years. I've served sentences for it, totalling 26 years. With time off for good behavior and two paroles, I've spent nearly 15 years in Canadian jails, prison farms and penitentiaries.

It took that long to convince me of the futility of trying to live on other people's money. If it hadn't been so easy at the start, I might have convinced myself much sooner. Now, by telling businessmen some of the things to watch for in the cheque-passing game, I hope we can make it tougher for some other youngster to cash his first bum cheque. It may make a tremendous difference to him 25 years from now.

I started my criminal career as a forger's "front man" and planned to be a forger myself. I practiced copying signatures until I reached the point where I could watch a man sign his name once and then go home and copy what I had seen. In half an hour I could produce a copy so close to the original that even the victim might have some doubts as to whether he wrote it himself or not.

They caught me passing my second forged cheque and I got a year in jail. It was there I learned that forgery can bring sentences up to 15 years in the penitentiary. From then on I determined to limit myself to writing cheques on nonexistent accounts. The penalty for "obtaining money under false pretenses" seldom runs higher than 5 years. That was the determining factor in my choice.

There's no point in moralizing about the subject, and it would be equally pointless to set down a list of factors which spell "bad cheque" if someone puts one in front of you. It isn't any particular knowledge of banking procedure that makes one man a whiz at passing phony cheques and another man a failure. It's at least nine-tenths personality and technique. Even after I've told you all the "secrets" I know and pointed out some of the ways you can identify a bad cheque — or at least be suspicious of it—I think I could still go into your store and cash one without much trouble. I'd certainly be caught eventually, and it would mean a few more years in jail—but it would be my own stupidity that would trap me; not necessarily what you learned from this article.

Say "No" To Everyone

The only way you can beat the cheque artist is to refuse to cash any cheques. Take the attitude that if a man wants to cash a cheque he should go to a bank. There's not one man in a thousand in my racket who would try to outguess a bank teller. If you people stopped helping us we'd starve—or we'd go straight a lot earlier in life.

I made all my "scores" by cashing in on human avarice, which is just another facet of human nature. I've never cooked up an effective story to put over a cheque or worked out any elaborate technique. Whenever I wanted to cash a cheque, I wrote it out, put it in my pocketbook, walked into a store, showed it to the manager or credit man and said:

"Can we do business on this?"

I always gave my victim full opportunity to say no. If he did, I let him alone. But nine times out of ten the manager would look at the cheque, think of the sale that was coming and, after a perfunctory check of my identity, proceed to do business.

The only matters of technique involved in passing cheques are (a) choosing your victim and (b) calculating the size of the cheque you can work on him. Retail merchants are the top choice—and, contrary to general belief, the biggest department stores are sometimes easier to score than some of the small independents. It all depends on how well you look the part of a responsible citizen, desiring to buy something, but with only a cheque to use as payment. The size of the cheque to be passed will depend to a considerable extent on your choice of a victim.

You might, for instance, be able to pass a cheque for $100 or more easily in a furniture store (where your purchase is bound to be fairly expensive, also) while a $20 cheque would be the limit in a leather goods store. As a general rule, it's been easier to cash large cheques since the war than it was in the 1930's. In those days, a cheque for more than $60 was very hard to work. Today anything from $85 to $100 is fairly easy.

Warning

"James Callahan" is the pseudonym we are using for a man who has lived outside the law for the past 25 years. His "specialty" was the passing of bad cheques. Because of his experience and comparative success in this branch of crime (he has received sentences totalling 26 years in prison, served 15 of them) The Post publishes his personal account as a warning to businessmen. Knowledge of how these phony cheque artists work is the best protection against their depredations.

"Callahan" admits his personal appearance has had much to do with convincing businessmen of his "honesty." Small, neat, quietly dressed, he looks like a mythical "average citizen." He might be a doctor, a lawyer or a successful salesman. The fact he "looks reliable" and because human beings generally like to "do favors" for others are the reasons, says "Callahan" why he has made as much as $700 in a day.

Merchants are by far the most popular choice, but hotel clerks can be cracked, also, if the job is carefully engineered. At one stage in my career I specialized in cashing cheques at hotels. More elaborate preparations were required, but it was possible to get more money more quickly that way than almost any other field.

Hotelmen probably rank among the toughest cheque cashers in the business. Their clientele is necessarily transient and hotelmen know that if they do make a mistake, the customer won't be around tomorrow to make it good. That's why fairly elaborate preparations were needed.

What I did was to write half a dozen cheques for amounts such as $120 (cheques in the even hundreds or fifties are harder to pass). Then I set up a "certified" stamp in rubber type, following the bank's actual pattern as closely as possible, stamped each cheque with it, initialled them in the appropriate places to make them look authentic. They were payable to a mythical John Anderson and signed by an equally mythical Norman Barber.

Then I wrote letters to John Anderson, pinned the cheques to them, and addressed each to Anderson at six different Toronto hotels. I sent them registered mail from Montreal and took the next train to Toronto myself.

"Nice of Norm"

In Toronto I went to the first of the six hotels after the banks had closed for the day and registered as John Anderson. I had a registration card carrying the same name and two or three letters on good business letterheads, addressed to Anderson, to bolster my identification if necessary.

After I had registered I asked if there was any mail for me. The registered letter was handed to me and I tore it open at the desk. The cheque was pinned to the top left-hand corner of the letter, so I flipped it over carelessly to read the note—and to let the clerk get a good look at the cheque.

"Well, wasn't that nice of Norm," I murmured, "I've been waiting for this cheque." Then I turned to the clerk. "Can you fix me up on this?" I asked. "The banks are closed, I'm afraid."

The clerk looked at the "certified" cheque for a moment, scrawled his initials on it and handed it back.

"Certainly, Mr. Anderson," he said. "That's good enough for us."

I went up to my room, tipped the bellboy who carried my bag and a few moments later went downstairs and out of the hotel, just as any legitimate guest might do. But I didn't come back. Instead I went to Union Station, where I had five other suitcases checked; took one and went by taxi to hotel number two on my list. By late evening I had more than $700 for my investment of a return ticket from Montreal and six second-hand suitcases. (New ones cost more and besides, old suitcases make you look more like a man accustomed to travelling.)

In stores the technique is much simpler. There are two types of cheque that can be passed. One is the kind made out by you (in your pseudonym of the moment) and payable to the store. The other is the kind made payable to you, signed by someone else. The latter is obviously a cheque you've received in payment of some bill, but which is still in your pocketbook because you forgot to drop into the bank on your way down town. Either can be equally effective.

My normal procedure is to shop around the store until I find something I like, taking care to let the salesman see my growing enthusiasm. When he's got to the stage where he is mentally ringing up the sale, I bring out the cheque.

"Can we do business on this?" I ask, casually.

If the salesman is also the store proprietor, he will make the decision on the spot. In most cases if the buildup has been effective, he will agree. The thought of losing a sale and at the same time casting a reflection on the obviously honest, sincere gentleman who is his prospective customer will almost always outweigh native caution.

If the salesman is an employee and wants to get approval, I go with him when he takes the cheque over to the manager or credit man. You can't afford to let a bad cheque out of your sight. You must stay with it all the way, so you can size up the situation and, if things aren't going right, withdraw from the deal with just the right note of indignation—not enough to confirm growing suspicions, but enough to end all negotiations then and there. If you've done it right, sometimes the manager will change his mind after you've taken the cheque back and decide to accept it after all, with many apologies to you for having been doubted.

Lightning Struck Twice

Once I cashed a cheque in a Montreal department store and three years later cashed another, with the same credit man supervising both transactions. He knew he had seen me before and had a suspicion that it was in connection with a bad cheque, but he wasn't sure enough to take any action. So he decided to try me out.

"Funny thing, Mr. Pryor," he said (that was my name for the moment), "but I cashed a cheque about three years ago under very similar circumstances — and the cheque bounced."

If my face had shown any surprise, panic or fear, he would probably have called the police then and there. But I acted my part through.

"Yes, you've certainly got to be careful these days," I smiled. "I hope this one doesn't bounce back at you too!"

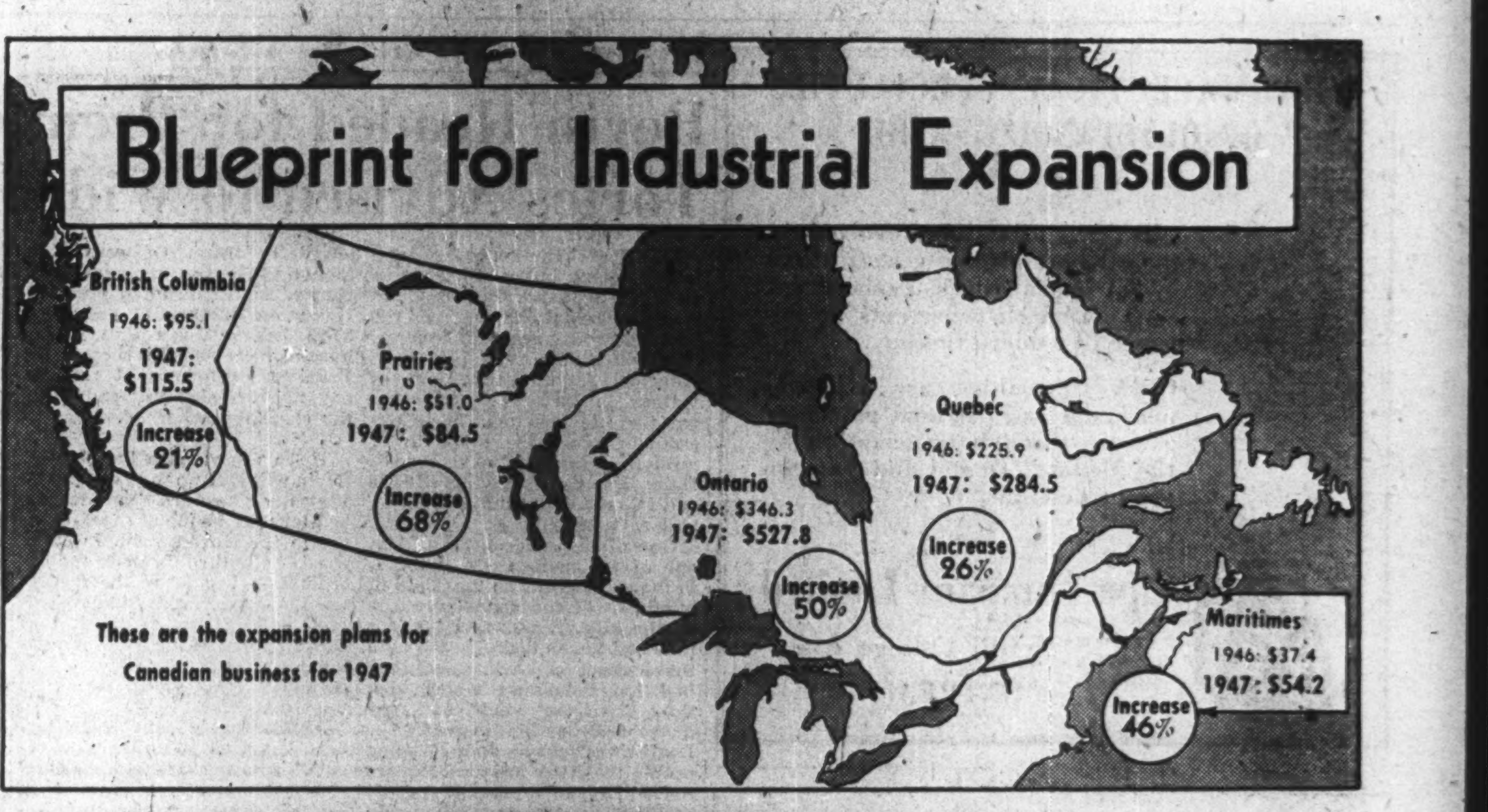
He cashed the cheque.

The biggest cheque I ever cashed was for $900 in a Toronto bond house. I used it to buy a $500 Dominion bond and got $400 in change. The biggest cheque I ever wrote—and almost cashed—was one for $41,750 which was to have paid for $41,750 worth of gilt-edged securities from another bond house. I posed as a Roman Catholic priest that time, and even borrowed office space in a big Catholic parish house in Montreal to take delivery of the bonds. The bond dealer was completely taken in, but there were city police in the bodyguard he sent with the man delivering the bonds, and one of them was suspicious enough to do some investigating on his own. I got nine years for the attempt and that finished my dream of Easy Street.

You Can Go Straight

Once, after being discharged from prison, I got a job as a salesman. In three months I was earning about $60 a week; then my employer found I was an ex-convict and fired me. I'd lived up to my income, so I had nothing left. When I couldn't get another job, I wrote another cheque. Once you've passed a bad cheque you're "hot," so there was no point in stopping then. I kept cashing them until I finally slipped again and was back in prison.

It's because drifting into this sort of crime is so easy, that I've written this. If you businessmen are suspicious enough to turn down anyone who offers a cheque unless you know him to be okay, you can make it so hard for a young man to pass phony cheques that he'll never start. You'll miss some sales, and he will go hungrier a bit longer before he gets a legitimate job, but in the long run, you'll both be happier.



These are the expansion plans for Canadian business for 1947

$1.7 Billion Expansion Goal Unlikely To Be Met in '47

OTTAWA (Staff)—Canadian business is willing to spend $1,739 millions in expansion and repairs in 1947, but the odds are that they will not be able to find the materials to do it.

Reconstruction Minister Howe gave that warning when he tabled his forecast of 1947 capital investment in the Commons recently. Given little attention in the enthusiasm which greeted the promise of expanding industrial and construction activity was a forecast of higher production of basic and building materials in Canada for the year.

The tremendous expansion envisaged in the capital investment report is indicated by the following table of expenditures, both capital and repairs:

Year	$ millions	Year	$ millions
1939	1,100	1946	1,172
1945	962	1947 (est.)	1,739

With those figures in mind, here is what the basic producers hope to turn out in 1947, compared with 1939:

	1939	1947
Lumber (bill. bd. ft.)	4.0	5.0
Asbestos (hund. thous. tons)	3.6	5.9
Gypsum (million tons)	1.4	2.6
Pig iron (million tons)	.8	1.9
Steel ingots (million tons)	1.5	3.1
Steel castings (thousand tons)	61.0	100.0
Copper (million lbs.)	609.0	451.0
Lead (million lbs.)	389.0	359.0
Zinc (million lbs.)	395.0	469.0
Nickel (million lbs.)	226.0	243.0

Prairies Lead Per Cent Increase

Percentagewise, the three prairie provinces plan the greatest investment increase over 1946 with 68%. Other areas in order are: Ontario, 50%; Maritimes 46%; Quebec, 26%, and British Columbia, 21%.

Dollarwise, Ontario leads with $527 millions ($346 millions in 1946), followed by Quebec, $284 millions (225 millions in 1946); B. C., $115 millions ($95 millions in 1946); Prairies, $84 millions ($50 millions in 1946); Maritimes, $54 millions (37 millions in 1946).

By cities, Montreal and Toronto are neck and neck, the former intending to lay out $93 millions, the latter $92 millions. Hamilton is next with $30 millions followed by Windsor, $25 millions; Vancouver, $19 millions and Winnipeg, $9 millions.

Those are the hopes. The research branch is frankly sceptical about the likelihood of the target being reached.

"It is unlikely that the available volume of building supplies, though considerably improved (10-30% over 1946) will be sufficient to support an over-all increase of 53% in the intended volume of business investment," the report declares.

Building Materials Gain

Seven of the 29 building material items covered show expected production increases of less than 10% over 1946. They are: cement, structural tile, gypsum wallboard, gypsum lath, gypsum plaster, cast iron radiators and paints, varnishes and lacquers.

Probable increases of 10 to 19% are forecast for: concrete brick and building blocks, cement drain pipe, sewer pipe, water pipe and culvert tile, building brick (including sand-lime brick), vitrified flue linings, vitrified sewer pipe, asphalt shingles, smooth and mineral roofing products (surfaced rolls), steel pipes, tubes and fittings, wash basins, hot water storage tanks (range boilers), builders' hardware and rigid insulating boards.

Expansion of 20 to 39% in the production of these commodities is forecast: bulk rock wool, cast iron soil pipe and fittings, sinks, furnaces (warm air and heating boilers), electric water heaters and wire nails and spikes. In this group is included window glass, bulk of which is imported from the U. S., United Kingdom, Belgium and Czecho-Slovakia.

40% More Bathtubs

Increases of 40% or more are indicated for rock wool batts, bath tubs and non-metallic sheathed cable.

Both reports admit that "in spite of the great improvement in the supply situation ahead, not all investment plans will be realized in 1947." But the report on investment plans adds: "This report attempts to summarize the investment intentions and related expenditures of Canadian business (excluding direct government) for 1947, and as such it reflects the judgment of business enterprises on prospects not merely for 1947, but for some time later."

On the optimistic side, the report declares: "An investment program of this magnitude reflects not only the need for replacement, modernization and expansion, but also a healthy optimism about economic development in the future."

Called a "document of great importance" by Reconstruction Minister Howe, it forecasts a total capital outlay of $600 millions more than the boom year of 1929.

In 1933 capital investment amounted to only $218 millions. By 1939 it had climbed to $495 millions. Even the peak war year of 1945 was far below that predicted for 1947, despite wartime industrial expansion and housing.

The greatest per cent expansion appears likely to take place in the mining industry where the $47 million program is more than three times that of 1946. Utilities with $432 millions is prepared to spend twice as much as in 1946.

In construction a 73% increase is indicated. General manufacturers contemplate an outlay of $443 millions compared with $300 millions last year.

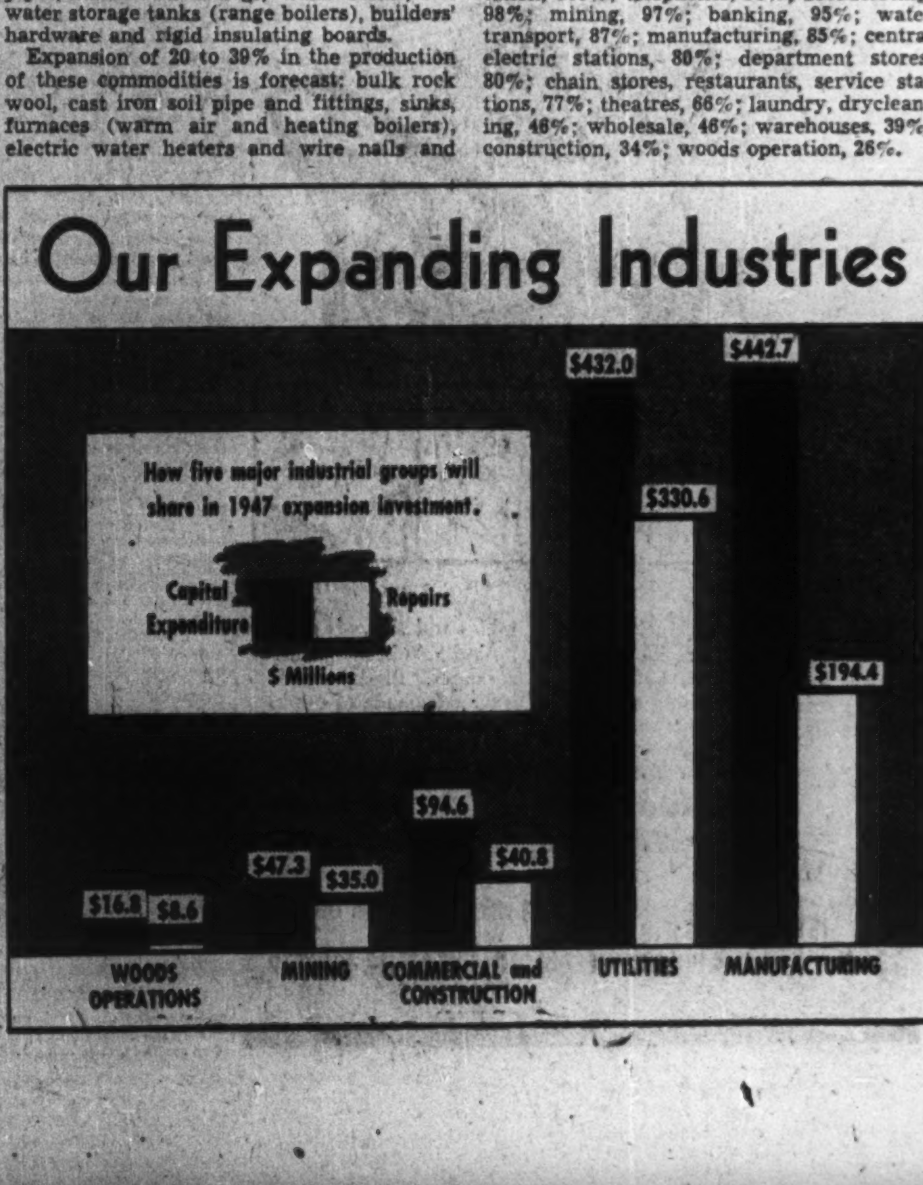
The survey itself showed $1,034 millions of new capital expenditures. The $1,739 millions figure is reached by projecting the total to cover all business, including repairs.

Repair and maintenance costs amounting to $609 millions are anticipated. In 1946 an estimated $565 millions was spent on repairs and in 1945, $612 millions.

While the figures themselves were pleasing to Government ears, reflecting confidence in the future, department officials were almost equally pleased over the gratifying response of business during the survey. The voluminous report showed that out of 13,844 questionnaires sent out, 11,423 were answered and returned.

In the survey, manufacturing groups reported on an establishment basis. In general, others reported on a company basis. Questionnaires were sent to all known companies with gross revenue in excess of $50,000. As firms in this bracket produced 97% of the total output in 1945, the returns were taken as representing close to full productive capacity.

On the basis of gross value of production or gross revenue in 1945, the percentage coverage for the various industrial groups was as follows: railways, 100%; air transportation, 100%; telephones, 98%; broadcasting, 98%; mining, 97%; banking, 95%; water transport, 87%; manufacturing, 85%; central electric stations, 80%; department stores, 80%; chain stores, restaurants, service stations, 77%; theatres, 66%; laundry, drycleaning, 46%; wholesale, 46%; warehouses, 39%; construction, 34%; woods operation, 26%.


Our Expanding Industries

How five major industrial groups will share in 1947 expansion investment.

Do We Need More Canadian Businessmen in China To Maintain Our Share of Rich Far East Market?

The box score on Canada's 1946 export trade with China is in—a record total of approximately $46 millions, or five times that of an average pre-war year.

The most striking feature in the picture is that only 36%—less than $17 millions worth—was financed through Canada's $60 million credit loan. This means that, despite all the abnormal currency and distribution conditions existing in China, Canadian exporters were able to ship and receive payment for approximately $30 millions of goods through more or less normal trade channels —a feat considered impossible a year ago.

Biggest export is in those items China needs most to get back on her feet: heavy capital goods, basic raw materials and food products. Exporters of less essential lines have been up against near-insurmountable payment barriers from the first and many have dropped out of the picture early in the game.

Despite the acknowledged abnormal Chinese demand for goods, many trade officials see an average export to China of around $50 millions when Chinese export industries get back into high gear and currency conditions become more stabilized. (The Chinese dollar was officially pegged at 12,000 to one U.S. dollar last month.)

One point that must be kept in mind in assessing the future trade picture is the fact that Germany and Japan have been effectively removed from the role of exporter. Pre-war these countries had a combined export to China of approximately $120 millions. Some of the chief items were machinery, automobiles and accessories, lumber and paper, all products Canada could conceivably export in fair volume.

Other trade officials, however, drawing attention to the favored U. S. position arising from that countries' huge Chinese loan, see Canada missing out again in the Chinese export mart. China will be a debtor nation for years, one official just back from the Far East informs The Financial Post. To continue export at present or higher levels, will necessitate advancing more and/or subsidizing Chinese imports. That would not be popular here at home.

The present inflationary trend in the Orient makes many of the traditional Chinese exports to this country impossible pricewise. For instance, on soya beans—a large pre-war export item—laid-down cost in Toronto is almost three times the price for which they could be purchased from the United States. The same story is pretty generally true all across the board, this official says. To make matters worse, China has withdrawn her own subsidy support from these export lines.

Canada's meagre 1946 imports from China would seem to back this up to a certain extent—$2.3 millions (not including Hong Kong) as against an average pre-war figure of around $4 millions.

Must Widen Range

To paint the picture even blacker, the same official says current high exports to China are mainly in basic commodities, such as chemicals, aluminum ingots, copper, lumber, wheat, flour, for which we normally have a fair market elsewhere. What we need to expand the over-all Canadian trade picture is to increase our exports of sundry manufactured articles.

The more optimistic trade officials advance these two answers to this realistic argument.

1. Obviously something must be done to increase the purchasing power of most of the world, not only China, United States, and to a lesser extent Canada, can't keep advancing loans indefinitely. A large-scale monetary stabilization will likely be worked out in the near future and China will be one of the countries chiefly affected. The International Bank of Monetary Stabilization was slated to commence operations last week.

2. Geographically and politically (Canada is perhaps the only large exporter against whom China could not conceivably work up a "suspicion" case) Canada is perhaps in one of the most advantageous positions of all exporting countries to develop trade with China.

They summarize thus: in view of the huge potential Chinese market at our doorstep, Government and industry should do everything in its power now including new loans when present ones run out and maintenance of more trade officials in China.

Need Canadians on Spot

Both sides agree that one of the most vital requirements of trade expansion in all Far East countries today is to have Canadian representatives on the spot selling Canadian merchandise. There are virtually none over there now, Captain W. M. Bowes, recently returned Far East trade expert, informs The Post. Evidence is all too clear that we are again making the pre-war mistake of handing over Far East agencies to large British and foreign trade agencies with the mistaken idea that the older, established agencies will do a better job, he states. In the highly competitive market which will develop, there is a great likelihood that Canadian goods will lose out again under such arrangements.

Chinese consumers, for instance, rarely see Canadian trade names on goods, most goods being marketed under agency names. Under conditions like these, it is difficult to establish a high reputation with the ultimate consumer, and sales are very much at the whim of the agent. While a good deal of pre-war business was done this way, conditions are changing, Captain Bowes states. More than ever, Chinese manufacturers and consumers want to know their products.

In the case where the maintenance of a Canadian trade representative in China is too heavy an expense for an individual firm, several non-competitive Canadian firms in different lines should combine to send an agent out to represent them. Public relations will be of increasing importance from now on. Chinese importers will want continued advice and assistance on marketing of products they import. It will be to the advantage of the firm back home to see that the best selling advice is passed on.

One of the main trade bottlenecks remains the disorganized state of many of China's chief export industries. Transportation facilities are practically non-existent in many sections and bands of irregulars make trade with the interior highly speculative. A wide variety of prices in different sections of the country for the same product also makes for trade confusion. All officials agree that until internal peace returns to China current sweeping economic decrees will be constantly nullified.

Under conditions of the current $60 million credit loan to China, that country agreed to buy an additional 20% or $12 million of goods and pay for them in gold. Up to last week about $30 millions of the loan had been taken up or encumbered for future deliveries.

China last year bought $46 millions worth of goods from Canada—five times as much as in an average pre-war year. Trade experts see an annual market there for us of $50 millions but European agencies still represent Canadian manufacturers in the Far East. Will lack of aggressive merchandising by our own salesmen mean Canada will again lose out in China when competition returns?

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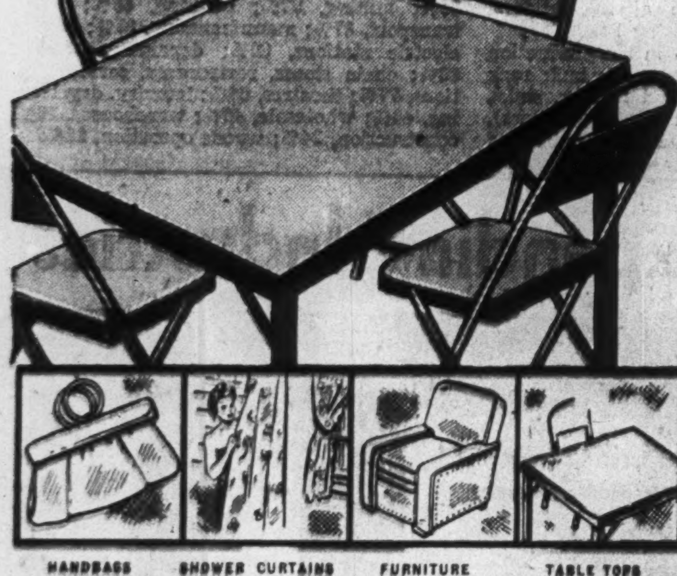

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LONDON CALLING—*By Adelphi*

Bevin Headed for Premiership? Tories Advised to Widen Ranks

LONDON—The snow has gone from England but is still deep in parts of Scotland. But England is afflicted by floods, whereas the Scottish floods have still to come. A nation-wide appeal has been launched for the thousands of victims in the Fens and other parts of the country. The Government heads the list with £1 million; Lord Beaverbrook's Daily Express is giving £10,000 and I do not doubt that the nation will rally generously.

One of the saddest, as well as one of the most wasteful, items in the crisis has been the death of hundreds of thousands of sheep on the hills. It was thought that they had frozen to death; but with the instinct of their kind, they had found hollows which kept them from the winds, but they died of starvation instead. The English are such an animal-loving people that they are almost more moved by this simple tragedy of the hills than by the punishment of the floods which tore roofs and walls from houses and took them downstream.

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Despite all this, the spirit of the people is livelier and more optimistic than it has been for many long weeks. Spring is here, and the crocus has appeared. Also, flat racing has opened at Lincoln, a singularly inaccessible spot with part of the course flooded. The big event of the opening day was the Lincolnshire Handicap which is always run on a straight mile. However, the ever-adaptable English made it a circular mile, and to avoid the flooded portions 50 horses got dizzy going round the curves. As I informed you our favorite horse Toronto did not run owing to the interruption of his training.

Then came the Grand National with 66 horses sinking deep into the soft earth as they attempted that heart-breaking 4½ miles.

As usual, the Society for the Prevention of Cruelty to Animals raised a great row about the torture and maiming of the horses in the Grand National. While acknowledging the sincerity of this point of view I am certain that if I were a horse instead of a journalist, I would much prefer a life of exercise, good feeding and fresh air in preparation for the jumping season with its risks rather than pull a cart through the crowded, cobbled streets of London with motor cars brushing and rushing past me and the load getting heavier with every mile.

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Wonder How Morrison Can Finance His Trip

Herbert Morrison is going to the south of France to recuperate, a visit which no one will begrudge him, but which might raise the question of how it is to be financed. Except for business purposes, no Britisher going abroad is allowed more than £75 in foreign currency. Mrs. Morrison is travelling with him, which would raise the ante to £150, but if Mr. Morrison is to have medical attendance, and special food, I can't see his £150 lasting very long.

This coincides with a move by the Treasury to create an organization of sleuths to find out how so many British subjects are making visits to Monte Carlo and Florida on the limited funds allowed to them. Of course in Monte Carlo the explanation is simple. An Englishman puts 100 francs on number 17 and wins 3,500 francs. When that is exhausted he repeats his success. No Britisher ever loses at roulette any more. Which just shows, as the charlady remarked.

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There are rumors that Ernest Bevin will give up the Foreign Office after his return from Moscow and take on the job of super-planner in the Government. In other words he will co-ordinate the co-ordinators, regularize the regulators and supervise the administrators. Political gossip has it that Bevin is tired of the all-in wrestling match with Molotov and is in favor of Marshall's taking on the Great Bear.

Another angle is that since Herbert Morrison is unlikely to regain his former strength, the chief rival has thus been removed from Bevin's dream of the Premiership. Finally, the political touts say, Mr. Attlee will be beaten by the economic situation and the realists in the Socialist Party will demand a change.

I cannot underwrite any of these propositions, but merely tell you what the gossips are saying. But it is unlikely that the Government can go on very much longer without some major Cabinet alterations.

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Insist Tories Must Widen Ranks

The weekly Recorder, an influential Right Wing publication, calls this week for some changes in the Tory set-up. The Recorder argues that Churchill should appoint Eden deputy-leader of the Opposition, and that when the election comes, the Tories should go to the country as a Churchill-Eden Administration, with the understanding that if they win the election Churchill would be Prime Minister, with Eden as Deputy Prime Minister and Leader of the House.

Further, the Recorder suggests that if the Conservatives are victorious, they should go outside the political ranks and bring in a half-dozen outstanding national figures for key ministerial jobs. The Recorder protests that it would be suicide if Mr. Churchill offered the country nothing more than "the mixture as before."

Mr. Churchill undoubtedly suffers from the defects of his qualities. He is apt to be stubbornly loyal to anyone who fought with him on St. Crispin's Day, even if much better and younger warriors have appeared in the meantime. But he seldom does what he is told.

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Deny Preferences Will Be Scuttled

The House of Commons discussed with a note of tension the coming Geneva conference on world trade, which involves the limiting and even elimination of Empire preferences. Sir Stafford Cripps was as reassuring as a family doctor but the Conservatives refused to let their fears be calmed. There is a feeling that in return for the American Loan, His Majesty's Government is committed to a fatal policy at Geneva.

Cripps denies this. He declares categorically that no Empire preferences will be altered without the willing consent of the Commonwealth partners involved. Despite these assurances, I have never seen the House of Commons more taut or suspicious.

The tiny Liberal Party boycotted the debate for some reason, there being only one of their number present. He made the interesting statement that Canada was in the United States. The Tories put him right and he explained that he meant to say North America.

• • •

However, I have told enough for you in Canada to realize that the rhythm of normal life is reasserting itself in these beloved and beleagured islands. Last week end I went to Brighton, or London-by-the-Sea, and was delighted to observe the grand old lady with her face painted and as full of life as ever.

The boatsmen were getting The Skylark ready for the season's customers, the same Skylark that went back and forth from Dunkirk in 1940. The tiny bump-cars on the pier were being tuned for their summer carousal. The hotels were behaving like real hotels, even serving breakfast in bed. . . and the sun shone warmly upon a sea that broke in great cascades of foam upon the terrace.

Yes, normal life is appearing again, like the crocus.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

SIGMA MINES (QUEBEC) experienced a decline of approximately 9% in net profit to $445,360 or 44.5 cents a share in 1946 due to return of the Canadian dollar to parity and increased operating costs. Ounce production of gold was practically unchanged.

Scarcity of underground labor was reflected in a 48,000-ton decline in ore reserves during the year. Some seasonal improvement in labor supply was noted in the latter part of the year, the low point on labor being experienced during the summer.

Ore sent to the mill will continue lower grade as mining is being confined to the wide lower-grade sections where manpower is most productive, it is stated. A total of 7,513 ft. of diamond drilling was done at surface on the optioned Gamma Mines (Quebec) property with inconclusive results.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Bullion production	$1,838,840	$1,908,002
Less: Oper. exps.	1,113,465	1,076,368
Net earnings	725,375	831,634
Add: Misc. inc.	49,581	38,728
Less: Prod. tax	25,192	29,247
Income tax‡	175,000	214,000
Def. dev. w/o	27,105	27,105
Deprec.	102,299	110,457
Net profit*	445,360	489,553
Less: Dividends	500,000	600,000
Deficit for year	54,640	110,447
‡Incl. ref. EPT	......	5,000

*Note: Co.'s report includes ref. EPT in net profit and surplus for year.

	1946	1945
Earned per Share	$0.445	$0.49
Paid	0.50	0.60

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & bullion	$288,594	$431,595
Govt. bonds*	980,850	1,116,400
Accts. rec.	28,771	42,788
Mat. & supplies	236,385	228,275
Total curr. assets	1,534,600	1,819,058
Prep. & def. chgs.‡	25,599	27,914
Def. development	112,387	123,387
Claims & props.	421,700	421,700
Plant & equip.•	307,386	225,264
Total assets	2,401,672	2,617,323
Accts. & wages pay.	101,316	114,622
Res. for taxes	106,747	154,452
Contingencies res.	20,000	20,000
Divd. pay.	200,000	300,000
Total curr. liab.	428,063	589,074
Capital stock	1,000,000	1,000,000
Surplus‡	973,609	1,028,249
•After depr. of	1,573,958	1,462,693
‡Incl. ref. EPT	5,000	5,000
*Market value	1,025,000	1,130,000
Working capital	1,106,537	1,229,984

OPERATING STATISTICS

	1946	1945
Tons milled	299,238	299,608
Average recovery	$6.15	$6.37
Ore reserves, tons	1,301,700	1,349,700

to Greater heights?

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The case of the wayward farmer

Can't keep your father down on the farm since they fixed up the County Road.

He was in town twice to-day. Says the trip is so easy now, he just can't resist gadding about. And he doesn't fret about the barn anymore, since he put on the new roof.

When you read between the lines, this farm wife doesn't seem worried about her wayward husband. Far from it. She seems pretty happy that things are going so well.

And that makes us feel a little proud. You see, we like to think that we had a hand in making that happiness. Maybe our roll roofings are keeping the barn dry . . . maybe our paving materials are making the county road passable.

Perhaps Barrett products are helping to make this farm more livable. It wouldn't be surprising. Because Barrett roofings, protective products, and road materials are on the job in so many rural and urban areas all across the continent.

BARRETT*ROOFINGS—Specification* Roofs, Broad Shadow and other Asphalt Shingles, Storm King* Roll Roofings, others. PROTECTIVE PRODUCTS—Carbosota* wood preservative, Carbonol* disinfectant, Elastigum* cement, Everjet* paint, others. PAVING MATERIAL—Tarvia* Road Tar, PROTECTIVE COATINGS—Pipeline Enamel and Waterworks Enamel. ALSO Coal-Tar Chemicals and Anhydrous Ammonia.

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FOR EVERYTHING THAT'S GOOD IN A GLOVE

Look for the Acme tab on every pair!

Capacity Output At Wool Combing

Productive capacity of Wool Combing Corp. of Canada is now fully engaged to the end of the current year, President K. L. Markon, told shareholders at the annual meeting. In view of demand for company's services, the plant is being enlarged by the addition of a French Combing Dept The machinery should be installed by the end of 1947.

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MERCHANDISING methods that sufficed through the rapidly-ending era of the Seller's Market will hardly stand up to Buyer's Market demands. A change of pace is called for.

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Cost, a problem in face of high wages and shorter working hours, will be solved in large measure by selling *more* goods in *less* time. Visible selling with "Cellophane" will help you to do this faster.

Don't let the current "Cellophane" cellulose film shortage hold up your plans to reconvert to Buyer's Market selling. With the help of our Sales Department we suggest you concentrate on making the most out of your present supply, while we attend to the job of doubling plant production capacity. Call on us when ready. Canadian Industries Limited, "Cellophane" Division; offices in Montreal, Toronto, Winnipeg and St. John's, Nfld.

CANADIAN INDUSTRIES C-I-L LIMITED

Cellophane TRADE MARK
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CL-47-3C

SHOWS - WHAT IT PROTECTS - AT LOW COST

YOU ASKED US ABOUT

The Financial Post will provide subscribers as quickly as possible the answers to specific questions about business, taxation, investments, and other subjects. The Post cannot undertake to make predictions, will not express opinions on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave., Toronto 2. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed. If more than one enquiry is being sent, subscribers are asked to submit each on a separate sheet of paper, to facilitate research work entailed.

INCOME TAX

Gets Legacy

In 1946 I received from England the proceeds of a small legacy left me by my father. Should this be reported to the income tax department as income and tax paid thereon or is it tax exempt?

Legacies paid from principal are tax exempt, and don't need to be reported as income. If, however, part of the legacy was made up of interest received by your father's estate after his death it would be taxable in the hands of the beneficiary. Thus suppose your father left $10,000 and before the assets were distributed, these assets had earned $300 interest. The $300 would be taxable in the hands of the beneficiaries receiving it, pro rata.

Merchant Sells Stock

A small retail merchant disposes of his business, selling his stock in trade and all equipment and fixtures, the selling price of the stock and the equipment being definitely stated separately. Later in the year this same merchant opens up again for business and shows a profit for the latter part of the year. Is he obligated to show in his income tax return, the profit made when he sold his stock in trade, in bulk, the first time?

Yes. The profit on this is taxable just as if it were sold in small lots over the counter.

INVESTMENTS

Inco Preferred

Do you consider that the 7% preferred issue of International Nickel is very speculative in character? Where does it stand in relation to the company's capital structure?

International Nickel Company of Canada 7% preferred shares represent a first charge on the earning power of this company as Inco has retired all direct and subsidiary indebtedness. This preferred issue is usually considered as one of the better preferred issues available to investors and that is no doubt the reason why the shares sell well above the $100 par value of this issue.

In view of the yield this issue provides, the preferred stock issue would no doubt sell even higher than is the case were it not for the fact that the issue is reedemable on 30 days' notice at 120% of par. The issue does not trade very often, of course, as it is very closely held, and from the standpoint of marketability leaves perhaps a little to be desired.

Abasand Oils

What is the present status of the relationship between the Government of Canada and Abasand Oils Ltd.?

The holdings of bituminous sands of Abasand Oils Ltd. have been returned by the Government to the company under an agreement dated Nov. 1, 1946. This agreement provides that the company shall pay the Dominion Government on or before Nov. 1, 1948, the sum of $139,861.63 for certain mining equipment and materials. A further sum of $1,913,427.48 is to be paid for the Dominion Government's interest in buildings, fixed machinery and equipment, as well as bituminous sand rights, by annual payments equal to five cents for each barrel of bitumen produced or contained in bituminous sands sold or otherwise disposed of, the first payment to be due at the end of the first year from the date when the production commences.

The agreement does not provide for immediate resumption of operations but it is understood that the company proposes to continue exploration and development, according to a recent statement made by Hon. J. A. Glen, Minister of Mines & Resources.

Copyright by Karsh

MALCOLM L. DOUGLAS

has been elected president of the Hat Research Foundation of Canada.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

INTERNATIONAL UTILITIES CORP. 1946 net profit was up 1.9%. Gross natural gas and electric revenues increased from $6,505,094 to $7,314,686. Consolidated net income applicable to the common stock increased from $890,195 to $1,006,495 and the corresponding corporate net income from $589,842 to $655,284.

Gross operating revenues of the Canadian subsidiaries amounted to over $7.3 millions, an increase of 12½%. The increase may principally be attributed to the prosperous agricultural conditions presently prevailing in western Canada and to the general development in Alberta, particularly in Edmonton, it is said.

The Canadian subsidiaries spent over $3.6 millions in additions to their plants and expect to make similar expenditures in 1947 provided necessary materials can be made available. It is estimated that in the years 1948 to 1951 inclusive over $9 millions will be required for additions and improvements to facilities. So far as can be seen, the companies will be able to provide for their capital requirements through utilization of depreciation moneys, undistributed earnings and senior public financing.

CONSOLIDATED INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings	$3,302,923	$3,242,830
Less: Amort. & depr.	405,650	451,800
Interest (subs.)	304,660	220,647
Subs. pref. divds.	298,918	213,730
Other interest	23,623	36,402
Subs. disc. & exp.	27,389	21,382
Subs. pf. st. exp.	6,374	......
Exch. loss	38,366	......
Income taxes▲	1,088,029	1,298,068
Minority int.	13,419	13,054
Net profit‡	1,006,495	987,747
Less dividends:		
$3.50 pref.	......	229,097
Common	608,765	522,444
Surplus for year‡	397,730	236,206
▲Incl. ref. EPT	......	131,545

‡Note: Co. includes refund. EPT in net profit and surplus.

Earnings per Share and Dividend Record:		
Pref.: Paid	......	$3.50+0.83
Common:		
Excl. ref. EPT	$1.28	†2.89
Incl. ref. EPT	1.28	†3.39
Paid (new)	0.65	......
Paid (old)	†0.37½	2.00

†Before 3 for 1 split.

Shares Outstanding:		
Common, $5 par	786,171	......
Common, $15 par	......	262,256

CONDENSED CONS.♦ BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & govt. bds.	$2,462,682	$3,037,061
Accts. & inc. rec.	1,026,199	896,599
Inventories	776,529	441,486
Total curr. assets	4,265,410	4,375,146
Misc. assets▲	825,850	506,143
Special deposits	2,497,850	211,625
Invest. in subsids.	......	2,370,792
Other investments	3,751,381	823,336
Fixed assets	29,106,178	25,130,419
Total assets	40,446,669	33,417,461
Loan & debt. payts.	363,742	83,258
Accts., taxes, etc.	1,476,031	1,942,085
Total curr. liab.	1,839,773	2,025,343
Depr. res.	9,619,091	8,967,747
Funded Debt:		
Intnl. Util.	2,800,000	3,000,000
Subsids.	8,000,000	5,008,660
Min. int. in subs.	6,358,460	4,386,044
Other res.	870,838	535,068
Capital stock	3,930,860	3,933,847
Capital surplus	3,754,710	3,754,466
Earned surplus▲	3,272,937	1,806,286
▲Incl. ref. EPT	289,877	261,720

♦Current accts. of Canadian subsids. converted at $1.10½ Candn. to $1 U. S. up to return of Canadian dollar to par in 1946, other assets dollar for dollar.

Working capital	2,425,637	2,349,803

BUTTERFLY HOSIERY CO. 1946 net profit was up 91%. The company is operating approximately 80% of plant on nylon styles, the balance on rayon and cotton numbers. It is proposed to continue this basis of operating, as the company recognizes the demands of the public for a variety of styles. During the year nine old-fashioned knitting machines, no longer capable of producing first-class goods, were scrapped. This will provide space for five new, modern, high-speed, 32-section, 51-gauge machines, now on order, the first one having been delivered in Nov., 1946, and the balance promised in 1947. They are expected to produce 25% more than the old ones.

INCOME ACCOUNT

Years Ended:	1946 Dec. 28	1945 Dec. 29
Net income	$249,073	$133,486
Less: Deprec.	31,630	30,517
Inc. tax res.†	113,524	49,400
Add: Prof. on assets	6,609	4,365
Net profit	110,528	87,934
Less: Dividends	50,573	48,615
Surplus for year	59,955	9,319
†Incl. ref. EPT	......	1,398
Earnings per Share and Dividend Record*:		
Com.: Excl. ref. EPT	$1.01	$0.52
Incl. ref. EPT	1.01	0.53
Paid (new)	0.45	....
Paid (old)	....	40%

*Based on present outstanding capital.

CONDENSED BALANCE SHEET

As at:	Dec. 28 1946	Dec. 29 1945
Cash & Dom. bonds	$268,838	$194,223
Accts. rec.	200,532	151,024
Investments†	22,720	42,221
Inventories	267,328	283,423
Total curr. assets	759,418	670,891
Other secur.	3,000	10,200
Misc. assets	56,081	33,020
Fixed assets*	208,135	195,475
Total assets	1,026,634	909,586
Accts. & taxes pay.	145,437	80,654
Other curr. liab.	18,492	26,182
Total curr. liab.	163,929	106,836
Capital stock	137,380	194,500
Capital surplus	57,120	......
Earned surplus▲	668,205	608,250
*After deprec. of	704,833	731,525
▲Incl. ref. EPT	32,257	32,257
†Market value	33,375	58,804
Working capital	595,489	564,055

LOWER ST. LAWRENCE POWER CO. 1946 net profit was almost trebled at $93,451 ($31,954) — however 1946 tax adjustment raised 1945 profit to $85,340. Total revenue was up $118,008, or 19.4%. Power sales were $543,318 ($471,613). The rising trend in residential and commercial sales continued, being 8.9% over 1945. Sales to such clients accounted for 62.8% of the total power sales.

Despite some difficulty in the latter part of the year as a result of extremely low rainfall, earnings, both gross and net, were at an all-time high.

A satisfactory standard profits award has been reached and $112,268 has been returned to surplus account from reserve for excess profits taxes.

Electric service was extended to four municipalities making a total of 71 communities now served, with population over 118,000. Capital expenditures during the year for construction of new hydro-electric plan and for additions and extensions to existing facilities, totalled $1,300,832.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net oper. prof.	$373,563	$349,942
Less: Deprec.	94,769	86,136
Bond int.	93,532	91,799
Amort. fin. exp.	8,321	5,621
Pens. fund	7,476	......
Inc. tax res.▲	76,014	134,432
Net profit & surplus	93,451	*31,954
▲Incl. refund. EPT	......	21,603

*Adjusted to $85,230 in 1946 due to tax adjustment.

Times Bond Interest & Expense Earned:		
Before deprec.	3.68	3.61
After deprec.	2.75	2.72
Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$11.68	$3.99
Incl. ref. EPT	11.68	6.69
Com.: Excl. ref. EPT	2.27	d0.80
Incl. ref. EPT	2.27	0.28

None paid on either stock.

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & Dom. bds.	$28,300	$536,639
Accts. rec.	37,218	54,765
Inventories	121,667	34,369
Total curr. assets	187,185	625,793
Prep. exp., etc.§	15,469	7,866
Invest. affil. cos.	129,170	125,753
Other invest.	5,200	7,200
Financing exp.	127,721	124,940
Misc. assets▲	3,812	73,663
Fixed assets	4,878,098	3,577,266
Total assets	5,346,655	4,542,481
Accts., etc., pay.	149,987	65,329
Taxes pay.	34,710	161,315
Total curr. liab.	184,697	226,644
Deprec. res.	894,554	804,674
Contrib. re exten.	16,382	14,770
Funded debt	2,762,000	2,350,000
Notes	175,000	......
Capital stock	830,000	830,000
Surplus▲	484,022	316,393
▲Incl. refund. EPT	3,602	41,692

§Incl. in curr. assets in co's. report.

Working capital	2,488	399,149

Send Penicillin To Guard Cattle Bound for China

From Our Own Correspondent

Vancouver—One of the largest shipments of cattle and hogs to China, ever recorded from Vancouver, will take place April 15.

More than 1,000 head are now being assembled in corrals near the Fraser River, awaiting ship. The shipment is being purchased by UNRRA for China relief.

Handlers report that the cattle and hogs were gathered from all parts of Canada, about one third of them coming from B. C. The shipment will include 150 pure-bred bulls, 850 cows and 90 Yorkshire hogs.

More than 14 million units of penicillin will be taken with the cattle, who will be watched over by two veterinarians.

QUEDAL PROSPECTING SYND. has acquired 18 claims, adjoining Midas Yellowknife, in Yellowknife area, N.W.T. Work is expected to start on the new group of claims as soon as weather conditions permit.

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You are invited to use our offices for active trading or occasional investment transactions. Our statistical department is at your service to supply facts and figures about any securities in which you are interested.

• • • •

Eastern business men, when travelling West, are invited to get quotations and service from our Western offices. They may also keep posted on quotations while en route, through bulletins we place on Transcontinental trains giving market quotations for leading Canadian and American stocks.

JAMES RICHARDSON & SONS
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EXECUTIVE OFFICES WINNIPEG

Fourteen offices from Montreal to Victoria connected by direct private wires.

38

"Paper Making", drawn by Will Ogilvie, M.B.E., from his original painting for the Pulp and Paper Industry.

CURRENCY OF CIVILIZATION

Paper is the currency of civilization. The extent of its use measures the stature of a nation. Per capita consumption on this continent is the highest in the world. The value of paper and paperboard used in Canada approximates the value of the country's annual gold production.

But the pulp and paper industry does more than maintain this major domestic trade. It is the largest paper exporter in the world. Canadian newsprint output, five times that of any other country, accounts for three-fifths of the world's production. Pulp and paper brings home more export dollars than any other Canadian product.

As the mill wheels turn, they roll out pulp, paper, and paperboard to the extent of almost half a billion dollars annually. No other single industry creates as much wealth for Canada.

The mills, small and large, have succeeded in building this great Canadian trade because they are modern and intelligent in their forest operations, in their manufacturing methods, and in their relationships with the 220,000 Canadians who draw pay from this great industry.

The welfare of the pulp and paper mills affects the welfare of every Canadian.

PULP & PAPER INDUSTRY OF CANADA

109 mills, small and large, from coast to coast.

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Oliver West of Canadair Aviation Trouble-shooter

For many months after war's end, one of Reconstruction Minister Howe's biggest problems was—what to do with huge Canadair Ltd., the Government's aircraft manufacturing plant at Cartierville, P.Q. A few weeks ago Canadians learned that the Government had decided to step out of the aircraft business through sale of Canadair to the Electric Boat Co., New York. (See The Financial Post, Jan. 25.) Now the eyes of aircraft men and Canadians generally are turned to the man who has to run Canada's largest aircraft plant.

By HOWARD GAMBLE

MONTREAL (Staff)—Canadair is more than just another Crown-owned plant taken over by private business. It represents Canada's biggest bid for a share of the international aircraft market. Also this is the company which will build the North Star—the plane on which TCA has largely staked its airline future. In addition Canadair occupies an important spot in the employment picture in Montreal. Approximately 6,500 persons are at present employed at the plant and with additional commitments this force may be increased.

Short, balding Hiram Oliver West, president and general manager of Canadair, has the task of proving that Canadair can hold its own in the tough, competitive aircraft field. Air-wise Mr. West thinks it can and says he expects to sell Canadian-made planes all over the world. He starts off with a multi-million dollar plant plus Douglas patent rights and tools, dies, etc. for manufacture of the North Star. Also can call on an experienced labor force.

Probably the best equipment plane-maker West possesses is his more than 5 years experience in the aircraft industry. Born in Boise, Idaho West, in 19 1 he started with Boeing Aircraft at Seattle, Wash. at the age of 21. In those days Boeing was making aircraft with furniture as a side-line.

Background in the Air

From a starting job as inspector of raw materials West moved up in eight years to become assistant to the president. As an executive of Boeing Air Transport, Pacific Air Transport and Varney Airlines, he participated in the consolidation of these three companies. Along with National Air Transport these three were reorganized into what is now United Air Lines. He went to Chicago in 1934 as director of engineering for United.

Observers say there is little doubt that Oliver West's decision to take on the Canadair job for Electric Boat Co. was an important factor in consummating the deal between Government and company. Electric Boat is primarily a submarine builder and although it is now diversifying its production in United States, aircraft is not one of its lines. Government on the other hand had to make sure of a top-notch aircraft man in charge of operations if the sale was not to backfire.

Oliver West is no stranger to Canada and government men likely remember the bang-up job he did for TCA in 1937. In that year he resigned from United Air Lines to come to TCA as technical advisor of maintenance and overhaul. He was responsible for the acquisition of facilities and aircraft and for organization and training of personnel for engineering and mechanical maintenance. It was he who okayed TCA's purchase of Lockheed Lodestars which have been the backbone of the transcontinental service since.

He Liked Canada

Even before the question of Canadair management arose the West family had seriously considered moving to this country. West who likes his fishing found that the inlets on British Columbia's Vancouver Island were excellent salmon grounds. Mrs. West shares her husband's enthusiasm. The fact that one of their two small daughters was born in Winnipeg may have been responsible for the family's partiality to Canada, West thinks.

Canadair's West is not likely to have much time for fishing at present, however. There is the immediate job of getting Canadair into fighting shape for the competitive battle ahead. Just now the main plant is being rearranged to create the best and most efficient working conditions.

Canadair is fairly well fixed for orders. Reconstruction Minister Howe recently announced in parliament that the Government had placed its first order for 20 North Stars, and an order has been received from the RCAF for 24 GM's. In addition it still has some aircraft reconversion jobs on hand.

Much of this is comparatively short-term business and outside of the reconversion work it all originates in Canada. But president West is looking forward to an active participation in the international market as well.

To sell planes in world markets means that Canadair will have to compete both as to price and performance. Price in turn means costs and West thinks the company can be put on equal footing in this respect with United States manufacturers. From the standpoint of performance Canadair's present hope, of course, is the North Star. Basically this plane is the Douglas DC-4 powered by Rolls-Royce Merlin engines. Its designers believe that the combination of Douglas and Rolls-Royce will put it one jump ahead of other planes of corresponding type and size. TCA pilots are said "sold" on the North Star; next task is to sell it to the commercial air transport lines.

Like all other plane-makers, however, Canadair has to keep an eye on trends in the aircraft industry. While the North Star may be today's plane it is not likely to hold its competitive position for many years in the fast-moving aircraft industry. To counter the comparatively short life of their product plane manufacturers must have new designs ready to throw into production. According to West this is what Canadair is doing. Plan is to keep designers working on plans which can quickly be translated into production along with or immediately following the North Star.

China 'Prefabs' On Their Way

From Our Own Correspondent

VANCOUVER — Ten two-story wooden houses factory-built here by Architect C. B. K. VanNorman's Precision Housing Co. are at sea in "knock-down" form on a ship for Nanking, China.

The prefabs will be assembled there in a matter of hours to house the staff of Canada's new Ambassador to China, T. C. Davis, who left Ottawa about a month ago and will leave here for the Orient soon.

The houses were built for Dept. of External Affairs at about $13,000 each. Two have seven rooms; the other is a duplex, each half of which has six rooms. Each house has its own air-conditioning heater and complete plumbing system, an auxiliary electric power plant, a deepfreeze unit, built-in storage. "Unitility" bathrooms in each are the factory-built product of St. Catharines Steel Products (Canadian Comstock) at St. Catharines, Ont.

Precision Housing is producing more than 50 prefabricated houses a month, according to President VanNorman. Many, he says, have gone to Britain, some to China even before the present embassy units.

INTERCOLONIAL COAL CO. showed a net profit of $18,440 for 1946, against a loss of $1,721 for 1945. Output was 156,446 tons (147,010 in 1945). The mines are in satisfactory condition and it is hoped that more skilled workmen will be available in 1947.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings	$30,624	*$1,721
Add: Accts. pay. w/o	110	......
Less: Inc. tax res.	12,294	......
Net profit	18,440	*1,721
Less: Divds. Pref.	15,784	15,784
Com. and bonus	20,000	20,000
Deficit for year	17,344	37,505

*Loss.

Earnings per Share and Dividend Record:		
Pref.: Earned	$9.35	d$0.87
Paid	8.00	8.00
Com.: Earned	0.27	d1.75
Paid	2.00	2.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & govt. bonds	$644,780	$648,502
Accts. rec.	78,788	77,631
Inventories	85,875	72,918
Total curr. assets	809,443	799,051
Prepaid charges	5,268	1,929
Fixed assets	854,774	861,794
Total assets	1,669,485	1,662,774
Total curr. liab.	45,286	35,349
Reserves	244,006	228,188
Capital stock	1,197,300	1,197,300
Earned surplus	182,893	201,937
Working capital	764,157	763,702

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

NUCLEAR ENTERPRISES 1946 net profit was off sharply at $45,994 ($265,323). It was hoped that the company would continue in the aircraft business, but this was found to be impractical. Directors have been investigating the possibility of investing a portion of the company's capital in some profitable business. During the year accounts receivable and claims against the Dominion Government were reduced from $6,789,005 to $1,486,541. Since the close of the year, further very substantial collections have been made.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net oper. profit	$81,194	$2,352,099
Less: Conv. note int.	......	7,588
Depreciation	......	9,233
Note disc. w/o	......	9,955
Prov. for inc. tax‡	35,200	2,060,000
Net profit & surplus	45,994	265,323
‡Incl. refund. EPT	......	373,900

Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$0.45	$2.81
Incl. ref. EPT	0.45	6.29
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & Dom. bonds	$786,612	$766,754
Accts. rec.	5,191	2,307,316
Govt. claims	1,481,350	......
Inventories	......	4,481,689
Total curr. assets	2,273,153	7,555,759
Misc. assets‡	874,000	778,007
Fixed assets*	1	1
Total assets	3,147,154	8,333,767
Accts. & tax. pay.	667,597	6,222,523
Conting., etc., res.	275,000	......
Total curr. liab.	942,597	6,222,523
Capital stock	519,600	519,600
Surplus‡†	1,684,957	1,591,644
‡Incl. refund. EPT	874,000	774,000

*Nominal value.
†Reflects renegotiation, adjustments of war contracts and conting. res. trans.

Working capital	1,330,556	1,333,236

AUTO FABRIC PRODUCTS CO. 1946 net profit was up 270% from previous year's retained profit. Throughout the year the company has operated under most trying conditions due to raw material shortages, President Theodore F. Rose states. With completion of plant additions now under construction, and with an improvement in the supply of materials, it is expected that production will be increased.

Acceptance of the company's merchandise has been most satisfactory throughout the Dominion, it is stated. There has also been an increasing demand for export of company products.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings	$264,107	$234,425
Less: Deprec.	3,636	2,868
Inc. tax res.‡	145,991	199,011
Add: Prof. on assets	513	......
Net profit	114,991	31,546
Less: Cl. A divds.	7,500	......
Surplus for year	107,491	31,546
‡Incl. ref. EPT	......	35,495

Earnings per Share and Dividend Record:		
Class A:		
(Before partic.)		
Excl. ref. EPT	$4.60	$1.26
Incl. ref. EPT	4.60	2.68
Paid	0.30	...
Class B:		
(Before partic.)		
Excl. ref. EPT	1.00	0.27
Incl. ref. EPT	1.00	0.52
None paid.		
A & B after partic.	0.92	...

Note: Calculated after allowing for full year's divd. requirements.

CONDENSED BALANCE SHEET

As at:	Dec. 31, 1946	May 31, *1946
Cash	$14,822	$104,130
Mkt. secs.†	100,782	190,787
Accts. rec.	70,965	79,917
Life ins., c.s.v.	15,379	15,041
Inventories	53,369	73,584
Total curr. assets	345,117	463,469
Prep. exp., etc.‡	62,956	62,821
Fixed assets	85,091	83,965
Constr. in prog.	77,037	18,416
Total assets	570,201	628,301
Bank loan	40,000	......
Accts., tax, etc., pay.	82,453	225,695
Total curr. liab.	122,453	225,695
Depr. res.	32,046	30,580
Capital stock	25,000	25,000
Earned surplus‡	390,702	347,616
†Mkt. value	174,100	180,580
‡Incl. ref. EPT	61,707	61,707
Working capital	222,664	237,774

*Pro forma, after capital reorganization.

ROBERT MITCHELL CO. 1946 net profit was down 57%. Reconversion difficulties were largely due to lower earnings. Owing to delay in the removal of the Government-owned equipment in the St. Laurent Plant, it was not possible to produce Ekco lines in any quantity until the final quarter of the year. (In March an agreement was entered into with Ekco Products Co., Chicago, to utilize the St. Laurent plant for the manufacture of the Ekco line of products for the Canadian market.) An option, no part of which has yet been exercised, and which will expire Dec., 1949, was granted to Ekco to buy the unissued 27,600 shares of the company's capital stock at a price of $30 per share.

The year ended with a good volume of orders both of the parent company, whose business reflects large scale railway equipment buying, and also the subsidiary, the Garth Co.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings	$114,860	$461,354
Less: Deprec.	50,000	30,000
Prov. for inc. taxes‡	29,023	346,458
Net profit	35,837	84,896
Less: Dividends	72,400	144,000
Deficit for year	36,563	59,104
‡Incl. refund. EPT	......	56,425

Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$0.49	$1.17
Incl. ref. EPT	0.49	1.66
Paid	1.00	2.00

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & Dom. bonds	$48,966	$792,366
Accts., etc., rec.	591,257	462,640
Inventories	674,473	217,628
Total curr. assets	1,314,796	1,472,634
Misc. assets‡	341,002	722,479
Fixed assets	2,133,469	1,972,094
Total assets	3,789,267	4,178,168
Bank loan	220,000	......
Accts., tax., etc., pay.	549,955	......
Total curr. liab.	769,955	728,694
Deprec. res.	1,511,464	1,453,647
Capital stock	1,064,400	1,064,400
Capital surplus	60,386	50,212
Surplus‡	683,652	‡891,315
‡Incl. refund. EPT	723,262	723,262

‡After deducting $914,329 arising from renegotiation of war contracts 1941-1944, of which $572,831 was charged to accumulated ref. EPT.

Working capital	544,841	764,971

ROBINSON, LITTLE & CO. 1946 net profit was up 78.8%. Substantial reduction in tax provision was largely responsible for improved showing. Sales showed a gratifying increase in both wholesale and retail divisions, shortages of supplies alone limiting volume. Expenses and merchandise costs increased, however.

Future prospects are limited for the present by shortages in company's most important textile lines, demand far exceeding supply. As soon as reasonable merchandise assortments are available, the company plans conservative expansion.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Oper. profit	$167,350	$169,840
Add: Invest. inc.	8,750	8,750
Less: Deprec.	9,251	8,468
Income tax‡	79,026	120,000
Net profit*	87,823	50,122
Less: Divds.	9,422	19,864
Surplus for year	78,401	30,258
‡Incl. ref. EPT	......	17,700

*Note: Co's report includes ref. EPT in net profit and surplus for year.

Earnings per Share* and Dividend Record:		
Cl. A: Excl. ref. EPT	$3.51	$1.96
Incl. ref. EPT	3.51	2.87
Com.: Excl. ref. EPT	1.34	0.48
Incl. ref. EPT	1.34	0.88
None paid on either stock.		
Pref. (old): Paid	2.00	4.00

*Based on present capitalization.

CONDENSED BALANCE SHEET

As at:	Dec. 31 1946	July 31 1946
Cash & Dom. bds.	$310,675	$485,968
Accts. rec.	79,922	175,106
Inventories	383,771	447,882
Life ins., c.s.v.	8,612	7,500
Total curr. assets	782,980	1,116,456
Misc. assets‡	40,350	77,074
Fixed assets*	72,929	47,388
Total assets	896,259	1,240,918
Accts., tax., etc., pay.	226,960	240,961
Conting. res.	25,000	25,000
Total curr. assets	251,960	265,961
Funded debt	100,000	......
Capital stock	10,452	482,053
Capital surplus	44,836	44,836
Earned surplus‡	‡489,951	‡448,069
*After depr. of	83,297	80,371
‡Incl. ref. EPT	37,300	37,300

‡Reflects profit on sale of invests. of $193,833 in 1946.

Working capital	540,960	851,185

HAMILTON BRIDGE CO. 1946 net profit was off 47%. Despite a favorable backlog, operations have been limited by irregular shipments of material. Working capital, 1,937,897, is up more than $200,000 from the previous year, and represents, in a large measure, work-in-process on contracts which cannot be completely fabricated until further steel shipments are received.

Renegotiation of war contracts profits resulted in an increase in refundable excess profits tax of approximately $65,000. Minor adjustments of certain inventories are all that remain for settlement.

INCOME ACCOUNT

Years Ended:	Dec. 28 1946	Dec. 29 1945
Net earnings	$266,453	$382,037
Less: Deprec.	103,387	95,773
Income tax res.	50,000	120,000
Net profit & surp.	113,066	166,264

Earnings per Share and Dividend Record:		
Com.: Earned	$0.46	$0.68
None paid.		

CONDENSED BALANCE SHEET

As at:	Dec. 28 1946	Dec. 29 1945
Cash & Dom. bds.	$747,400	$501,587
Accts., etc., rec.	512,810	1,831,417
Inventories	1,179,237	606,795
Total curr. assets	2,439,456	2,939,799
Misc. assets‡	171,812	109,010
Invest. & adv. subs.	245,231	389,380
Fixed assets*	1,066,119	1,066,300
Total assets	3,922,618	4,504,489
Accts., & tax. pay.	206,806	280,962
Re contracts	292,753	937,099
Total curr. liab.	501,559	1,218,061
Conting. res.	150,000	366,250
Capital stock	2,439,500	2,439,500
Earned surplus‡	†831,559	480,678

†Reflects transfer from conting. reserve.

*After depr. of	1,184,563	1,080,981
‡Incl. refund. EPT	161,606	96,058
Working capital	1,937,897	1,721,738

BRITISH AMERICAN BANK NOTE CO. 1946 net profit was up 136.7% from previous year's retained profit. Sales volume set a new record. Some of the business, however, was a direct result of war and cannot be expected to continue. A good backlog of orders was carried forward, guaranteeing normal operations for many months to come, President Howard W. Pillow states.

A start on company's new build- (estimated cost $1.3 millions) was made in July, 1946, and it is hoped operations will begin there later this year. The old building and lands were sold to Bank of Canada.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings	$787,334	$682,814
Less: Deprec.	44,417	47,559
Income tax‡	395,006	488,338
Add: Invest. prof.	1,556	700
Net profit*	349,467	147,619
Less: Divds.	150,000	150,000
Surplus for year	199,467	†2,381
‡Incl. ref. EPT	......	78,724

*Note: Co.'s report includes ref. EPT in net profit and surplus for year.
†Deficit.

Earnings per Share and Dividend Record:		
Excl. ref. EPT	$2.33	$0.98
Incl. ref. EPT	2.33	1.51
Paid	1.00	1.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash	$24,362	......
Accts. rec.	71,354	$131,085
Investments*	733,054	363,420
Accrued revenue	136	123
Inventories	359,249	286,730
Total curr. assets	1,188,197	961,358
Misc. assets‡	229,426	230,359
Fixed assets	1,456,830	1,499,528
Total assets	2,874,453	2,691,445
Bank overdraft	......	13,012
Customer deposits	55,825	194,423
Accts. & tax. pay.	327,874	297,090
Total curr. liab.	383,699	504,525
Deprec. res.	954,770	971,785
General reserve	100,000	100,000
Capital stock	300,000	300,000
Surplus‡	1,135,984	815,133
*Market value	729,241	563,834
‡Incl. ref. EPT	228,615	228,615
Working capital	804,498	456,831

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How to Keep Out of Trouble—XVI

If Your Wife Loses Her Fur Coat Or Your Furniture Burns, PPF Pays

Have you ever calculated just what it would cost to replace your own or your family's personal property, your furniture, clothing, jewellery or sports equipment?

Like your house, of course, these are liable to damage by fire. But because they are usually movable, they are also subject to other perils such as theft, loss when travelling or even about the house, and just plain mysterious disappearance when you don't know what happens to them.

When you come to replace them, however, you find yourself faced with a substantial bill. Sometimes the article lost or destroyed is irreplaceable.

It is, of course, possible to protect yourself against actual monetary loss by insurance against fire, theft and certain other risks. But the most popular method is by the personal property floater policy.

The personal property floater policy is a development of the last ten or fifteen years which has become exceedingly popular because it gives to the policyholder in one contract the protection which formerly he had from several policies.

All-risk Policy

It has been sometimes described as an all-risk policy, because it protects the owner against almost all risks except a few which are specially mentioned in the contract.

Thus it has sometimes been stated that it includes the cover given by the ordinary fire insurance policy with the supplemental clause added combined with the resident burglary and theft policy and the tourist's baggage policy and the whole extended to cover such other hazards as "mysterious disappearance."

It is an outgrowth of the general trend in insurance circles in recent years toward comprehensive contracts to take care of all risks to which a property owner is subject.

Ordinarily the cost of the cover is much less than it would be if the same protection were obtained under several contracts and partly for this reason, as well as the broad protection given, it is undoubtedly the leader of all the comprehensive policies that have been developed in recent years.

The term "floater" is used to describe a policy under which the protection follows movable property wherever it may go.

Thus the PPF insures the owner's personal property in various locations and against various risks, such as in his own city home, at the summer cottage, in the railway carriage, or on the streetcar.

It is perhaps unfair, however, to call it an all-risk policy, because some people who do not read their insurance policies might not notice that it does not cover hazards such as ordinary breakage or damage due to moths or vermin.

Thus, if you lose your golfing suit while on your way to the summer cottage, the insurance company will indemnify you under the PPF; but if the moths ruin it while it is hanging in your wardrobe, the company won't pay anything.

High Loss Ratio

The ratio of losses paid by the insurance company to the premiums paid by policyholders in recent years has shown that while the PPF combines fire and burglary insurance, it is much more than a substitute for these two lines. The loss ratio on the PPF has been estimated in 1946 as high as 90% to 100%, which is much higher than that shown by either fire insurance or burglary insurance. Thus, in layman's language, under the Personal Property Floater 90% to 100% of the premiums paid in by the property owner to the insurance company has been used to pay claims of those who had losses compared with a loss ratio of a little over 52% in fire insurance and of only 37.55% in theft insurance.

Under a personal property floater, not only is your household furniture insured against fire and burglary, but your personal effects also. Moreover, not only does it cover your own property, but also that of your immediate family and to a limited extent the personal effects of servants and guests in your home.

Accordingly, if you have a personal property floater, it will indemnify you, not only against loss or damage to your furniture and house furnishings in your regular city home, or summer cottage caused by fire, but it also indemnifies you for loss or damage due to burglary or mysterious disappearance. Similarly, if the loss occurs in your city home, your summer cottage, a summer hotel or, in fact, anywhere.

How it works is best understood by some actual examples.

A woman took off some valuable rings in the washroom of a railway car when washing her hands. She forgot to put them on again and returned to her seat. She did not miss the rings until the train was several stations farther on. She then informed the train official, but no trace was ever found of them. Her husband had a personal property floater policy and the insurance company paid.

A man bought a new suit and called for it himself to ensure he would have it for the next day. When he got home he realized he did not have the suit with him, and the best he could remember was that he had laid it down beside him in the streetcar. He never saw the suit again but his insurance company paid the loss under a Personal Property Floater.

In another case a man went to the show one night wearing an expensive wrist watch. When he got home the watch was gone. He put in a claim on the insurance company under his PPF and was indemnified.

These Losses Are Covered

Other possible cases are if your son's bicycle is stolen from your own property or if he loses his skates coming home from the rink, you're protected against loss. Then again if somebody on the street throws a baseball through your house window, breaking valuable chinaware, or if a heavy windstorm causes breakage of valuable statuary or chinaware, the PPF will pay the loss.

The cost of the PPF is lower than similar or less coverage would cost under other policies. For example a Toronto householder valuing his personal and household effects at say $3,000 would pay $33 for a three-year policy. A straight fire insurance policy for the same amount would cost $15 while a burglary policy for the same amount would cost $47.50 a total of $62.50. Of course most people would take only say $1,000 burglary insurance on which the annual rate is $10 for the first $1,000, $25 for a three-year term. Even this would cost $40 for three years and then he would not have protection on his own and his family's belongings in locations other than the main residence nor would he be protected against such risks as mysterious disappearance. The rates quoted are representative but there may be minor variations among different companies.

However, because of the high loss ratio under the PPF in 1946, the companies are now considering raising rates or restricting the coverage given for the present rates.

Under new forms effective last year, the PPF contract is now subject to a deductible clause, by which the property-owner stands the first $15 of loss himself. The reason for this is that previously the insurance companies were flooded with so many small claims for burns caused by cigarettes, fountain pens and gloves being lost or stolen that it added seriously to the cost. The deductible clause is similar to a $50 deductible clause on an automobile collision insurance policy. It can be removed by payment of a $20 additional premium.

Another feature of PPF policies now is that protection is limited to the policyholder, his wife (or husband) and unmarried children of the same household. Formerly it covered all members of the household and the servants. Even under the new form, however, at the option of the policyholder, 10% of the amount stated in the policy is payable on all unscheduled personal effects and can still be applied to property of guests or servants. If more is wanted, an extra premium must be paid.

These Are Limited

Jewellery, unless specifically listed, is insured only up to $500, excepting loss by fire, and other risks covered by special endorsement. In such a case the full face value of the policy applies.

Insurance on boats and goods in storage is covered in limited amounts according to the individual policy. Sporting goods are not insured when loss occurs while they are being used. Thus, if you break your golf stick against a tree after a bad shot, don't send the bill to your insurance company. Many of these restrictions can be lifted by paying an extra premium, except in the case of wilful breakage or damage.

As in fire insurance, you should make an inventory of the effects insured under your policy. It will save both you and your insurance company much inconvenience when a claim is made, and gives you at once an idea of what your personal and household effects are worth. In many cases it has caused individuals to increase their insurance holdings materially, because when they had listed all their belongings they found that the value was much greater than they had believed.

Under the PPF if your furniture is made unserviceable through fire, lightning, wind, hail, and various hazards covered by the policy, then 10% of the total amount of insurance carried may be applied to pay additional expenses you incur for housing accommodation. Thus, if because your furniture has been burned, you have to go and live in a hotel or boarding house for the time being, 10% of face value of your policy may be applied to the extra expense you have.

But if you drop your eyeglasses and they break, or knock over a tray of your wife's fine china or glassware, don't send the bill to your insurance company. The Personal Property contract states distinctly it won't pay. If any of the articles mentioned above, however, are stolen, they will.

All-risk Business Liability Policy Minimum Premium is Cut 50%

Changes in the "comprehensive liability" insurance policy for business firms bring the minimum cost down to a level within reach of the smaller concern.

The comprehensive liability policy is a fairly recent development, designed to give protection against all sorts of claims to which a business man is liable for injury to the person or property of others. In liability insurance it corresponds roughly to the personal property floater contract, in that it insures against practically all risks (with certain exceptions). In one contract it may give insurance against liability for damage caused by the operation of an elevator, slippery floors, faulty plumbing or carelessly piled merchandise falling and injuring someone, to name a few of the risks. Ordinarily it might take three or four policies to give this protection, but the comprehensive policy covers it all in one form, just as a PPF covers fire, burglary and mysterious disappearance of personal property in a single policy.

Because of the wide protection given, the companies established a minimum premium of $50. In some cases this was more than protection on a straight rate basis would have cost. As a result, many small businessmen bought separate policies protecting them against the most imminent perils.

Rates Slashed

Now, however, the minimum premium has been cut from $50 to $15 for personal injury and from $25 to $7.50 for property damage. In both cases liability arising from products manufactured by the policyholder is excluded from the basic policy but can be obtained by paying a slightly higher premium. Manufacturing liability is regarded as more costly because its effects can be so far reaching as, for instance, if poison or ground glass got into some food product.

Protection given by the policy has also been broadened. Formerly liability for damage caused by accident, fire or water escape was excluded and could be covered only by payment of an extra premium. Now these hazards and some others are covered automatically under the regular premium.

Here are some examples of settlements made under the legal liability to which businessmen are exposed.

At a wrestling bout, one of the contestants kicked his opponent out of the ring onto the floor and then kicked him on the head. Spectators got angry and attacked the offending wrestler. In the melee, one of the ringside spectators received a fractured skull. The courts awarded him $3,500 damages from the promoters.

In the judgment the court stated that while spectators were notified on their tickets and by notices posted about the building that the promoters were not responsible for accidents, fire or theft which might occur during the contest, this did not relieve them of responsibility for injuries a spectator might incur. Kicking an opponent through the ropes was a breach of wrestling rules recognized by the public and when injuries result from breach of contest regulations, promoters are responsible for the act of the guilty contestant who is their agent the court declared.

Other examples of settlements made in claims against business concerns are: $15,720 for collapse of a temporary floor built by a contractor, $1,452 to a customer caught in the closing door of an elevator, $1,995 when a waitress spilled hot water on a child in a restaurant. These are all claims to which even the smallest class of business might be liable, in varying degree.

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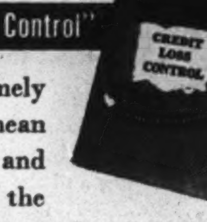

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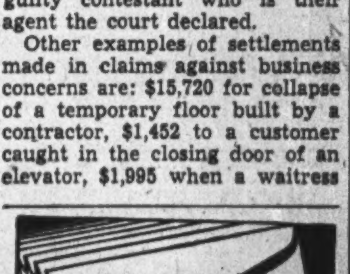

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4 Loss of sight
5 Elective Benefits
6 Double Indemnity
7 Ambulance Indemnity
8 Hospital Indemnity
9 X-Ray Indemnity
10 Operating Room Indemnity
11 Anaesthetic Indemnity
12 Surgical Indemnity
13 Nurse Indemnity
14 Identification
15 Medical and Surgical Fees for Non-disabling Injuries
16 Quarantine Indemnity
17 Beneficiary Insurance
18 Funeral Expenses
19 All Medical Reimbursement
20 Aviation Coverage

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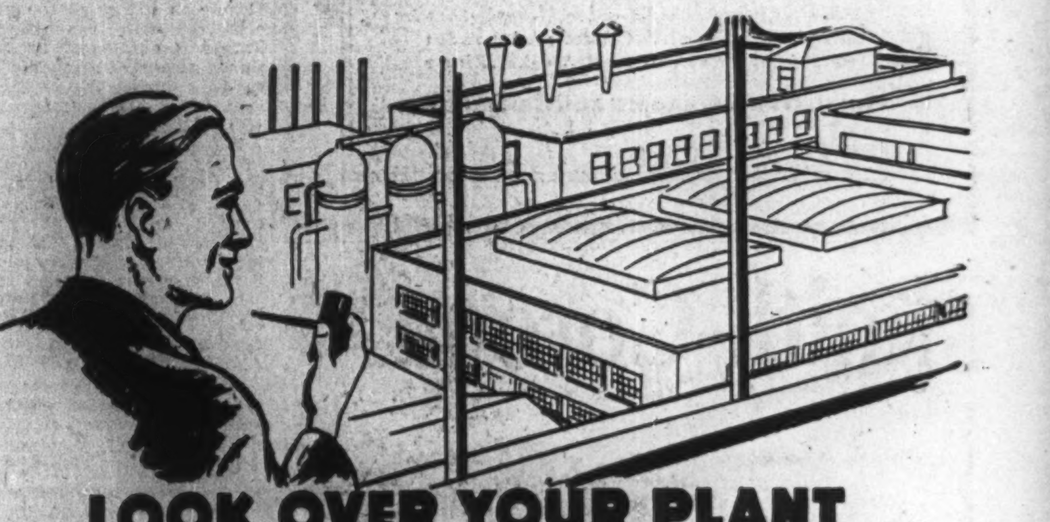

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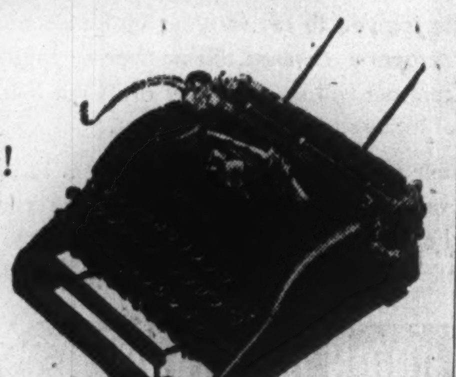

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COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CANADIAN WESTINGHOUSE CO. 1946 net profit was off 58% from last year's retained profit. The 1946 results were seriously affected by high costs and low production, due to material shortages, strikes, both at the company's own plants and those of suppliers, and the problems of rehabilitation and reconversion to peacetime production. The strike at the company's plants lasted 115 days, the employees finally returning to work on Oct. 28, after the company agreed to grant an increase of 13c. an hour without reduction in hours of work.

A wide variety of products still remains under price regulations and submissions are being made to the Government to grant price increases to offset additional costs. The effect of constantly rising costs, as reflected in higher prices, if continued as at present is bound seriously to restrict the sale of many electrical products, especially those sold the general public, it is stated.

One of the major moves in the program of reconversion was the transfer of the manufacture of all appliance products from various sections of the main manufacturing plants to the building at the West Plant purchased from the Dominion Government. Since termination of war, substantial orders have been placed by public and private power utilities in connection with extensive power developments. These orders, against which deliveries were unavoidably delayed, together with the unusually heavy demands of industrial users, have resulted in the company having on hand more unfilled orders for equipment than ever before. Substantial shipments against these unfilled orders should take place in 1947 provided there are no other interruptions. The present demand of railroad companies for air-brake equipment would appear to assure satisfactory operations of the Air Brake Division throughout 1947.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings	$386,284	$3,650,729
Add: Gen. res. trans. re rehab. exp.	600,000	......
Less: Deprec.	530,379	524,574
Dom. taxes♦	■450,000	1,380,000
Pension fund	300,000	300,000
Net profit*	605,905	1,446,155
Less: Dividends	1,060,875	1,105,526
Deficit for year	454,970	*340,629
♦Incl. refund. EPT	......	95,000

■Recoverable.
*Note: Co's. 1945 report includes ref. EPT, in prior years transferred to general reserve, in net profit and surplus for year.
*Surplus.

Earnings per Share and Dividend Record:		
Earn.: Excl. ref. EPT	$1.06	$2.52
Incl. ref. EPT	1.06	2.69
Paid	1.85	‡2.00

‡Payable in stock.

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash	$958,617	$3,818,073
Accts. rec.	2,412,446	1,960,609
Invests.†	6,144,669	6,631,319
Inventories	9,352,887	7,189,363
Total curr. assets	18,868,619	19,599,864
Misc. assets▲	1,636,627	1,426,457
Fixed assets	5,123,172	4,933,257
Total assets	25,628,418	25,958,778
Accts. & tax. pay.	1,616,586	1,931,550
Other curr. liab.	3,229,835	2,204,741
Total curr. liab.	4,846,421	4,136,291
Re bldg. purch.*	600,000	600,000
General reserve	1,525,000	2,125,000
Capital stock	10,199,400	10,184,920
Surplus	8,457,597	■8,912,567
†Market value	6,328,737	6,837,462
▲Incl. refund. EPT	805,000	♦900,000
Working capital	14,022,198	15,463,073

*Secured by ref. EPT.
♦After renegotiation of war contracts.
■Includes divd. of $415,000 from Hamilton Munitions.

CANADA WIRE & CABLE CO. 1946 net profit was off 59%. The strike at the companies plant lasted 110 days. Production work started at Leaside on Oct. 31 and full employment was attained by year end. Substantial deficits were incurred during the last two quarters of the year, due to the shutdown.

Inventories were approximately $1 million higher at the year end compared with the year before. This was occasioned by the continued receipt of raw materials and supplies during the period of the strike, and the increased volume of unfilled orders.

With steady progress being made in the rehabilitation program at the Leaside plant, the productive capacity is being gradually increased and with very heavy bookings of orders, the result of the current year's operations should be on a satisfactory high level.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Total net income	$704,131	$922,503
Less: Taxes	127,591	324,557
Depreciation	204,842	138,292
Deb. int.	41,250	......
Pension fund	135,568	49,348
Net profit	194,880	480,306
Less: Pref. div.	101,250	162,500
Class A divd.	118,672	118,672
Class B divd.	112,998	150,664
Deficit for year	138,040	■48,470

■Surplus.

Earnings per Share and Dividend Record:		
Pref.: Earned	†	$19.21
Paid	$4.05	6.50
Cl. A: Earned	3.16	10.71
Paid	4.00	4.00
Cl. B: Earned	d0.17	1.32
Paid	0.75	1.00

†Redeemed July 15, 1946.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1946	1945
Cash	$436,738	$394,033
Investments‡	25,015	517,882
Accts. rec.	1,337,529	1,154,943
Inventories	4,550,004	3,541,832
Total curr. assets	6,349,286	5,608,690
Misc. assets▲	951,580	963,535
Fixed assets*	1,646,384	1,508,929
Total assets	8,947,250	8,081,154
Accts. pay.	1,660,176	1,109,562
Prov. for taxes	57,670	120,408
Total curr. liab.	1,717,846	1,229,970
Funded debt	3,000,000	......
Res. for reels	192,045	205,947
Capital stock	1,575,000	4,075,000
Capital surplus	......	500,000
Surplus▲	2,462,359	2,070,237
*After depr. of	3,448,917	3,323,044
‡Market value	25,228	670,753
▲Incl. ref. EPT	481,387	481,387
Working capital	4,631,440	4,378,720

DAVIS LEATHER CO. 1946 net profit was $436,341 ($433,288 retained profit in 1945). Operating profit was $485,377 ($250,289). Sale of securities resulted in a profit of $85,385 ($150,691). These profits have been transferred to an investment reserve account, making a total investment reserve of $235,000 at year end. Market value of stocks and bonds held at year end exceeded cost value by $135,722. Holdings of listed preferred and common shares at cost increased from $1,645,508 to $1,856,131, which was due largely to reinvestment of profits on sales of securities.

Volume during the year was limited to approximately 80% of capacity because of shortage in supply of raw materials. The rate was increased to 90% in December and, at present, has reached nearly to full capacity on a one-shift basis.

The supply of domestic skins was seriously curtailed due to strikes and holdbacks of various kinds. This condition has been moderated recently by the increase in the price of hides, it is said; but so long as price control exists in Canada the regularity of supply will probably remain uncertain.

Imports of New Zealand skins were severely restricted because of a bulk purchasing agreement between the Government of New Zealand and the Government of the United Kingdom whereby the latter was given a priority over a substantial proportion of the skins from this important source. The company regards this discriminatory intergovernment arrangement as unfair, and protests have been filed with the appropriate authorities, it is stated.

In spite of higher sale prices (in line with raw materials increases) in export markets, the demand for finished products abroad continued unabated.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings	$590,792	$442,715
Less: Deprec.	6,337	8,119
Pens. fund	25,000	......
Inc. tax res.♦	208,500	152,000
Add: Sec. prof.	85,386	150,692
Net profit	436,341	433,288
Less: Cl. A divds.	150,000	139,217
Cl. B divds.	109,808	89,154
Surplus for year	176,533	204,917

♦Incl. unstated ref. EPT in 1945.

Earnings per Share and Dividend Record:		
Class A	$4.36	$4.33
Paid	1.50	1.50
Class B	1.83	1.81
Paid	0.70	0.55

Note—Earnings include profit from sale of securities of $1.51 per sh. on cl. A and 96c. on cl. B in 1945; 85c. and 54c. respectively in 1946.

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash	$91,755	$150,320
Accts. & bills rec.*	638,286	331,372
Stks. & govt. bonds‡	2,306,930	2,446,308
Inventories	1,305,906	820,842
Total curr. assets	4,342,877	3,748,842
Misc. assets♦	24,725	20,222
Fixed assets▲	276,551	275,684
Total assets	4,644,153	4,044,748
Bk. loan & overdraft	515,359	104,997
Accts., tax., etc., pay.	192,191	212,720
Other curr. liabs.	37,270	29,231
Total curr. liabs.	744,820	346,948
Pension res.	25,000	......
Invest. res.	235,000	150,000
Capital stock	2,785,185	2,785,185
Earned surplus♦	854,148	762,615
*After res. of	50,000	50,000
♦Incl. ref. EPT	7,256	7,256
▲After depr. res. of	110,501	104,370
‡Market value	2,442,653	2,713,500

■After giving effect to S.L.P. dated June 18, 1945.

Working capital	3,598,057	3,401,894

CANADA STEAMSHIP LINES 1946 net profit was off 62% from previous year's retained net profit. Decrease of $2,331,000 in gross profit to $15,696,903 was due entirely to strikes, principally of Canadian seamen, and in the ore and coal mines, and steel industry. Passenger and hotel departments, on the other hand enjoyed another capacity season.

"The year under review was a difficult one for the company," President W. H. Coverdale states. The strike of Canadian seamen interefered with the operations of the fleet for nearly five weeks. During the year there were net additions to property of $2,039,270, represented by the completion of a coal handling plant at Depot Harbour, Ont.; further improvements to the Thousand Islands Club property, and acquisition of a building for the housing under one roof of the various head office departments of the company.

Claims resulting from the disaster involving the S.S. Hamonic are the subject of litigation and it is still impossible to state that the company's liability in connection therewith is fully covered by insurance, it is said. Shortages of materials have delayed the construction of a new vessel for service on Lake Ontario and one to replace the S.S. Hamonic. Other additions to the fleet will be constructed as soon as materials are available.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings	$1,873,347	$3,841,715
Less: C.S.L. bond int.	286,417	329,642
Other int.	3,884	......
Depreciation	1,493,066	1,429,243
Inc. tax res.♦	226,000	1,020,000
Add: Amts. collected re ship constr. in pr. yrs.	539,805	......
Net profit*	403,785	1,062,830
Less: Pref. divd.	573,125	573,125
Common divd.	300,000	300,000
Min. int.	243	......
Deficit for year	469,583	†189,705
♦Incl. ref. EPT	......	45,000

*Note: Co.'s report includes ref. EPT in net profit and surplus for year.
†Surplus.

Times Bond Interest Earned†:		
Before deprec.	6.53	11.65
After deprec.	1.31	7.32

†After Kingston Elevator Co. bond int.

Earnings per share and Dividend Record:		
Pref.: Excl. ref. EPT	$1.76	$4.64
Incl. ref. EPT	1.76	4.83
Paid	2.50	2.50
Com.: Earned	d0.56	1.63
Incl. ref. EPT	d0.56	1.78
Paid	1.00	1.00

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	†1946	1945
Cash & Dom. bds.	$6,098,866	$3,168,308
Accts. rec.	3,139,429	1,570,059
Inventories	6,224,099	1,922,990
Less progress pay.	6,749,151	......
Total curr. assets	8,713,243	6,661,357
Cash in trust	......	2,497,020
Shs. in subsid.	......	3,070,740
Misc. assets♦	2,926,755	1,343,543
Fixed assets*	21,727,481	19,807,709
Total assets	33,367,479	33,380,369
Total curr. liab.	2,580,462	2,996,707
Min. int.	2,139	......
Mtge. pay.	227,325	......
C. S. L. bonds	7,700,000	8,100,000
Liab. re vessels	......	2,497,020
Misc. reserves	601,000	360,000
Capital stock	14,854,000	14,854,000
Prof. re. asset sale	3,011,811	1,279,837
Capital surplus	1,568,855	......
Earned surplus♦	2,821,887	3,292,805
*After depr. of	27,583,092	23,820,656
♦Incl. ref. EPT	842,000	235,000
Working capital	6,132,781	3,664,650

†Includes accts. of Can. Shipbuilding & Engineering Co., previously carried as investment.

Ask Manitoba Collect $2,352,000 From Pools

From Our Own Correspondent

WINNIPEG—The Legislature is being asked to instruct the government to collect from the now prosperous Manitoba Pool Elevators Limited part of a guarantee given by the province when the pools financially collapsed in the early 30's.

The debt is computed by G. S. Thorvaldson, Progressive Conservative member, at $1,274,939. Interest at 4% from Aug. 1, 1931 would bring the total to $2,352,960, he contends.

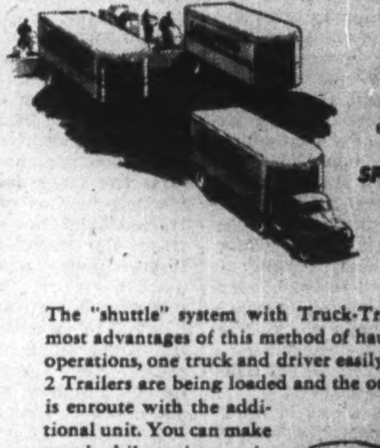
Thorvaldson argues:

1. Since 1932 the Manitoba Pool Elevator system has earned $14,032,686.
2. It has a working capital reserve of $2,212,483, in addition to other reserves of $362,599.
3. It can well afford to repay the province, and fair dealing in business requires such a step.

STANDARD CHEMICAL CO. has advised that the company has sold 150,000 common shares at $8 a share, payable forthwith.

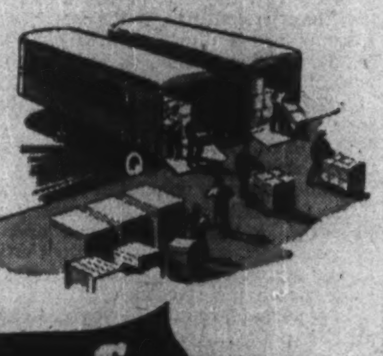
Here's help to smooth production's flow!

This is a picture of a most important part of any plant. It's part of the production line. Designers have provided modern, convenient loading and unloading facilities at strategic points to permit motor transport to deliver its full measure of efficiency.



Trailer "SHUTTLE SYSTEM" SPEEDS PRODUCTION—SAVES MONEY

The "shuttle" system with Truck-Trailers is one of the foremost advantages of this method of hauling. In many inter-plant operations, one truck and driver easily handle 5 Trailers. While 2 Trailers are being loaded and the other 2 unloaded, the truck is enroute with the additional unit. You can make worthwhile savings . . . in initial investment, wages and operating costs . . . by designing adequate facilities to accommodate "shuttling".



INCLUDE YOUR ARCHITECT . . . YOUR TRAFFIC MANAGER . . . AND YOUR MOTOR TRANSPORT OPERATOR ON YOUR PLANNING COMMITTEE!

HERE is a three-man team whose experience will be invaluable in planning your new building or remodeling your present one.

YOUR ARCHITECT can design motor transport right into your plant to connect this flexible, over-the-road hauling method directly with production lines within the building.

YOUR TRAFFIC MANAGER can offer tremendous assistance, in speeding material in and out, thereby eliminating costly double handling and the need for big stock-piles.

YOUR MOTOR TRANSPORT OPERATOR knows the value of adequate space and good docks, with platforms at proper heights to speed loading of Trucks and Trailers and to cut costly delays which often result in loss of many man-hours.

These men know well that the smooth, uninterrupted flow of goods, in both directions, may be a determining factor in your ability to compete in tomorrow's markets. They are all essential men to be included on your planning committee from the start.

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"Engineered Transportation"

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Yes, she buys café, not coffee; chapeaux, not hats; papier, not paper;
in fact she speaks, reads, and buys everything she needs — *in French!*
That's why the best way to sell your goods and services to her, and to
699,516 customers in the Montreal market,* is — *in French!*
To assure the most effective coverage for your French sales messages,
it's good business to use Le Canada — Montreal's influential morning
newspaper — and one other French daily.

**Latest Dominion Census shows Montreal French population 699,517, English, 271,346.*

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Men of affairs naturally stop at the WINDSOR because of its reputation for dignified comfort, unobtrusive, courteous service and its convenient location—and because the WINDSOR is recognized as the proper place for business and social meetings.

THE Windsor
ON DOMINION SQUARE
J. ALDERIC RAYMOND, PRESIDENT

Chartered Banks Invest Morein Municipal Bonds

Canadian chartered banks are increasing their investments in Canadian municipal bonds.

On Feb. 28, total investments of the banks in municipal bonds were $155 millions compared with $62 millions on the same date in 1944 and $101.7 millions in 1939. Thus the banks have more than doubled their municipal bond holdings since 1944 and increased them by 52% over Feb. 1939.

The rise in municipal bond holdings in the eight years 1939 to 1947 compares with an increase of almost 200% in total investments of the banks, the increase in municipal securities held thus being considerably smaller than that in the total. Accordingly while the banks hold substantially more municipal bonds than before the war, municipals are a smaller percentage of the total.

The big gain in the total was due to the banks' participation in the Government's war financing program, the biggest increases being in Dominion Government issues.

Reflects War Conditions

Changes in the banks' holdings of municipal securities reflect fairly closely the developments in municipal finance, especially their more liquid position during the war due to improved tax collections and reduced expenditures. The latter included lower relief charges and the smaller scale of public works undertaken during the war. The two circumstances made it possible for the municipalities not only to reduce both their bonded debt and their bank loans since the war began.

In the eight years 1939 to 1947 the regular bank loans to Canadian municipalities dropped from $111.4 millions to $43 millions in 1944 and to under $30 millions in 1947.

Meanwhile the total funded debt of the municipalities is estimated to have been cut approximately 30% since 1939.

Lower Interest Rates

Up until a few months ago comparatively few new issues of municipal bonds were made while many of those outstanding were retired on maturity or called for redemption. Usually those called for redemption were refunded at lower interest rates which reduced interest charges materially but did not increase the funded debt of the municipality concerned.

In addition, a number of municipalities which had been in difficulties obtained authority to refund bonded debt at lower interest charges.

Accordingly between old issues refunded and new issues made since the war ended there has been a fair volume of municipal bonds marketed.

The general improvement in the financial position of the municipalities has made their bonds very attractive to the banks and it is believed a large part of the bonds issued have been taken up by them, especially short term issues.

In some cases too it is believed banks have been buying municipals on the open market because in some cases they could get better yields from them than on dominion and provincial issues.

In some quarters, as materials become available and the demand for public works and civic services increases, more financing by municipalities is expected. The amount of municipal work to be done repairing roads, replacing obsolete water works systems, sidewalks and fire equipment is considered enormous while the low interest rates and the municipalities' good credit make the present a favorable time to finance. While the total movement of municipal securities fell during the war and rose subsequently the following table shows the movement among the different banks varies materially.

	Feb. 28		
	1947	1944	1939
	000 of $		
Montreal	37,232	12,905	25,455
Nova Scotia	9,450	9,058	13,353
Toronto	6,031	1,296	7,034
Provincial	10,379	8,222	11,634
Commerce	24,198	4,121	9,066
Royal	34,362	9,706	8,964
Dominion	3,761	848	4,065
Nationale	22,360	9,958	16,548
Imperial	8,567	5,922	5,576
Barclays (Canada)	1,074	1	10
	155,412	62,637	101,707

Dominion Appraisal Company Limited

Industrial appraisals undertaken for Cost Accounting and Litigation purposes.

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MONTREAL
University Tower Building

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

INTERNATIONAL BRONZE POWDERS 1946 net profit was up 83% from previous year's retained profit. Although plant alterations and additions have been completed, a certain amount of tuning up and co-ordination must be effected before the subsidiaries will receive the full benefit of their expenditures. A considerably increased output has already been attained and domestic and foreign clientele are now in a position to be offered better delivery and quantity of products, it is stated.

CONSOLIDATED INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings*	$1,094,276	$657,892
Less: Obsolescence	......	24,693
Taxes♦	486,004	301,455
Net profit	608,272	331,744
Less: Min. int.	8,925	3,361
Pref. dividends	150,000	150,000
Com. dividends	150,000	80,000
Surplus for year	299,347	98,383
♦Incl. ref. EPT	......	13,047
*After deprec. of	60,966	61,022
Earnings per Share and Dividend Record:		
Pf.: Excl. ref. EPT†	$5.99	$3.28
Incl. ref. EPT†	5.99	3.41
Paid	1.50	1.50
Com.: Ex. ref. EPT‡	3.00	1.64
Incl. ref. EPT‡	3.00	1.71
Paid	1.50	0.80

†Before participation. ‡After participation.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1946	1945
Cash	$765,883	$746,746
Accts. rec.	365,699	236,975
Market securities‡	287,972	312,429
Inventories	1,147,705	729,345
Total curr. assets	2,567,259	2,025,495
Invests. in subsids.	141,017	160,012
Misc. assets▲	151,465	144,133
Goodwill & patents	876,304	876,304
Fixed assets	2,197,544	2,063,639
Total assets	5,933,589	5,269,583
Total curr. liab.	677,858	418,692
Deprec. res.	1,437,914	1,380,932
Minority int.	30,299	26,379
Capital stock	2,608,037	2,608,037
Capital surplus†	47,792	13,800
Earned surplus▲	1,131,689	821,743
‡Market value	295,842	318,476
▲Incl. ref. EPT	84,561	84,562

†Credits from sales of foreign subsids. in 1944.

Working capital	1,889,401	1,606,803

CANADIAN BRONZE CO. 1946 net profit was up 27.7% from previous year's retained profit, reduced income tax provision being chief factor. With declaration of 50c. a share for the fourth quarter of 1946 in place of customary 37½c. plus an extra, a regular annual dividend basis of $2 a share is indicated.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings	$508,730	$564,153
Less: Depreciation	32,251	38,205
Income taxes♦	220,000	325,180
Net profit	256,479	200,768
Less: Pref. divd.	37,500	37,500
Com. divd.	130,000	160,000
Surplus for year	88,979	3,268
♦Incl. ref. EPT	......	37,000
Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$34.20	$26.77
Incl. ref. EPT	34.20	31.70
Paid	5.00	5.00
Com.: Excl. ref. EPT	2.74	2.04
Incl. ref. EPT	2.74	2.50
Paid	1.62½	1.50+0.50

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1946	1945
Cash	$216,179	$276,549
Accts. rec.	626,519	502,068
Inventories	520,603	417,655
Investments†	201,559	360,091
Total curr. assets	1,564,860	1,556,363
Misc. assets▲	203,310	202,705
Fixed assets*	786,841	774,810
Total assets	2,555,011	2,533,878
Total curr. liab.	640,966	708,848
Misc. res.	68,309	68,273
Capital stock	947,395	947,395
Surplus▲	898,341	809,362
*After depr. of	1,093,710	1,061,459
†Market value	267,909	427,464
▲Incl. ref. EPT	176,400	176,400
Working capital	923,894	847,515

SOUTHAM CO. 1946 net profit was up 40% from previous year's retained profit, substantially reduced tax provisions being largely responsible.

Inventories are higher than a year ago but it is believed that these, at the prices paid for them, will be extremely useful in 1947 operations. Due to shortages of building materials, and inability of equipment manufacturers to deliver machinery ordered, major portion of the expansion program remains uncompleted. Actual plant purchases, spread over a number of relatively small items totalled some $218,000, but at year end the company had placed orders for an additional $400,000 of plant, the greater portion of which will be completed in 1947.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings	$2,150,490	$2,817,918
Less: Debent. interest.	241,500	287,830
Depreciation	214,935	305,635
Taxes♦	674,350	1,497,500
Net profit	1,019,705	726,953
Less: Dividends	570,000	485,000
Surplus for year	449,705	241,953
♦Incl. ref. EPT	......	191,100
Earnings per Share and Dividend Record:*		
Com.: Excl. ref. EPT	$1.36	$0.97
Incl. ref. EPT	1.36	1.22
Paid: New com.	0.76	0.38
Old "A"	......	0.40
Old "B"	......	0.40

*Based on present outstanding capitalization.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1946	1945
Cash and Dom. bds.	$2,442,571	$2,941,652
Accts. rec.	1,213,873	1,127,318
Inventories	834,918	494,779
Total curr. assets	4,491,362	4,563,749
Prep. exp.§	53,718	39,120
Misc. invests., etc.§	960,666	962,042
Fixed assets	9,202,538	9,025,719
Inv. in circ.	2,280,000	2,280,000
Goodwill (print. divs.)	120,000	120,000
Total assets	17,108,284	16,990,630
Accts. & tax. pay.	788,212	1,171,926
Accr. liab. & def. rev.	204,403	221,336
Total curr. liabs.	992,615	1,393,262
Funded debt	4,830,000	4,830,000
Deprec. res.	6,018,883	5,841,281
Pens. & cont. res.	400,531	576,531
Capital stock	3,000,000	3,000,000
Surplus♦	1,866,255	1,349,556
♦Incl. ref. EPT	576,500	576,500

§Incl. in curr. assets in co.'s report.

Working capital	3,498,747	3,170,487

SOUTHERN CANADA POWER CO. reported a surplus of $16,986 arising from Feb., 1947, operations, an increase of $10,899 from Feb., 1946, results. Gross earnings increased by $46,887 but operating costs, etc., were $35,988 higher at $341,098. For the five months ended Feb., 1947, the company's operations resulted in a surplus of $78,552, $49,560 above the corresponding 1946 level.

STARCOURT GOLD MINES reports completion of a magnetometer survey which revealed interesting structure and definitely established some anomalies. Diamond drilling has been recommended by Engineer Douglas Parent.

Staff Changes

The Bank of Nova Scotia announces the following staff changes:

G. A. GRIFFITHS, to be assistant manager, Santiago de Cuba, Cuba.

L. A. LUETCHFORD, to be accountant, New Liskeard, Ont.

N. S. SHERRITT, to be accountant, College & Bathurst, Toronto.

R. D. DUNN, to be assistant accountant, Toronto.

E. BARKER, to be assistant supervisor, head office.

J. O. BRIDGE, to be manager, Alexandria, Ont.

P. V. COULTON, to be manager, Kingsway, Toronto.

W. E. FRIER, to be manager, Beardmore, Ont.

N. W. R. HAMILTON, to be manager, Danforth & Greenwood, Toronto.

E. V. CROTH, to be accountant, Oakwood & St. Clair, Toronto.

L. H. ELLINS, to be accountant, Kingston Rd. & Bingham, Toronto.

J. V. MONTGOMERY, to be accountant, Bank & Gladstone, Ottawa.

E. G. TAYLOR, to be an assistant inspector.

R. H. DEWAR, to be manager, Woodstock, N.B.

S. C. SMITH, to be an assistant manager, Toronto.

M. W. BRUTON, to be accountant, Toronto.

* * *

The Bank of Montreal announces the following staff changes:

F. E. BEDFORD, Melville, Sask., to be manager, Duck Lake, Sask.

E. A. ROYCE, Main & Hastings, Vancouver, to be assistant manager, Carrall & Hastings, Vancouver.

C. W. HADFIELD, superintendent's dept., Vancouver, to be assistant manager, Main & Hastings, Vancouver.

H. L. McKAY, superintendent's dept., Winnipeg, to be assistant manager, Regina.

W. T. HODGINS, assistant manager, Regina, to be manager, Victoria & Albert, Regina.

J. L. D. H. ROY, manager, Cap de la Madeleine, Que., to be manager, Riviere du Loup, Que.

G. R. HOLLAND, manager, Victoria & Albert, Regina, to be manager, Portage Ave., Winnipeg.

B. C. DOWNEY, assistant inspector with headquarters at Winnipeg, to be inspector.

J. L. DICK, assistant inspector at Winnipeg, to be inspector.

J. A. P. LEDUC, of head office, to be manager, Cap de la Madeleine, Que.

* * *

The Canadian Bank of Commerce announces the following staff changes:

C. J. LOUGHLIN, manager, St. John's, Nfld., to be manager, Halifax, N.S.

R. G. MILLER, inspector at head office, to be manager, St. John's, Nfld.

* * *

The Royal Bank of Canada announces the following staff changes:

J. P. LESSARD, manager, Buctouche, N.B., to be manager, Chicoutimi, Que.

R. O. BOUCHER, manager, Cheticamp, N.S., to be manager, Buctouche, N.B.

P. J. Boudreau, Quebec, Que., to be assistant manager, St. Denis and St. Catherine, Montreal.

L. G. J. VIANELLO y G, accountant, Avenida de Italia 407, Havana, Cuba, to be assistant manager, Havana.

M. M. HAY, assistant accountant, Hastings & Nanaimo, Vancouver, to be accountant, McKay, B.C.

J. A. ARIOSA G, joint manager, Havana, Cuba, retires.

C. W. TAYLOR, Quinpool & Oxford, Halifax, to be accountant, Almon & Agricola, Halifax.

I. MACINTOSH, to be assistant manager, Havana, Cuba.

W. ROJAS M, to be accountant, Havana, Cuba.

D. TROCHE G, to be accountant, Avenida de Italia 407, Havana, Cuba.

W. J. BIGELOW, to be accountant, Bank & Sparks St., Ottawa.

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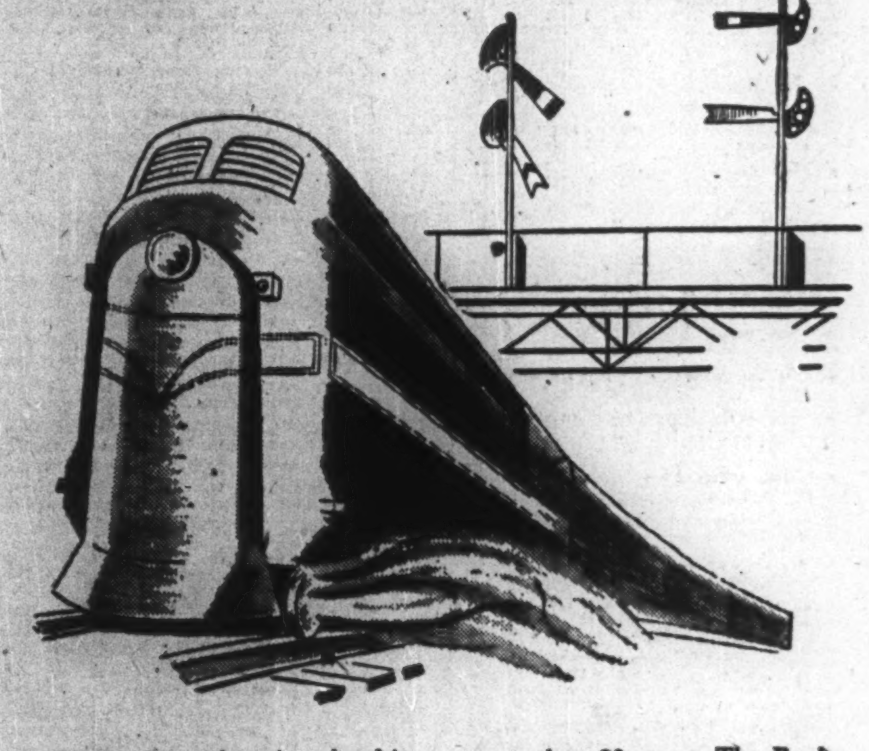
LOANS...
that streamline progress



The business of getting ahead in the world calls for continuous adjustment to new methods : : : streamlined planning to meet the head winds of competition : : : the use of every modern scientific equipment that speeds up the production of better goods and services at lower costs.

Credit makes improved methods available : : : whether they be machinery, plant extensions or simply cash in hand for the furtherance of any other aspect of constructive planning. For more than 90 years, The Bank of Toronto has supplied the money — the credit needed by Canadians whose progressive aims and purposes could only thus be achieved.

It's quite possible that your own plans are in danger of remaining mere plans—unless you have the wherewithal to carry them out. If a loan will help you, call in and talk over your plans and credit needs, whether large or small.

THE BANK OF TORONTO
Incorporated 1855
B. S. VANSTONE, General Manager
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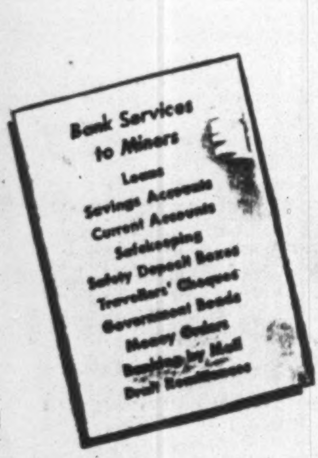
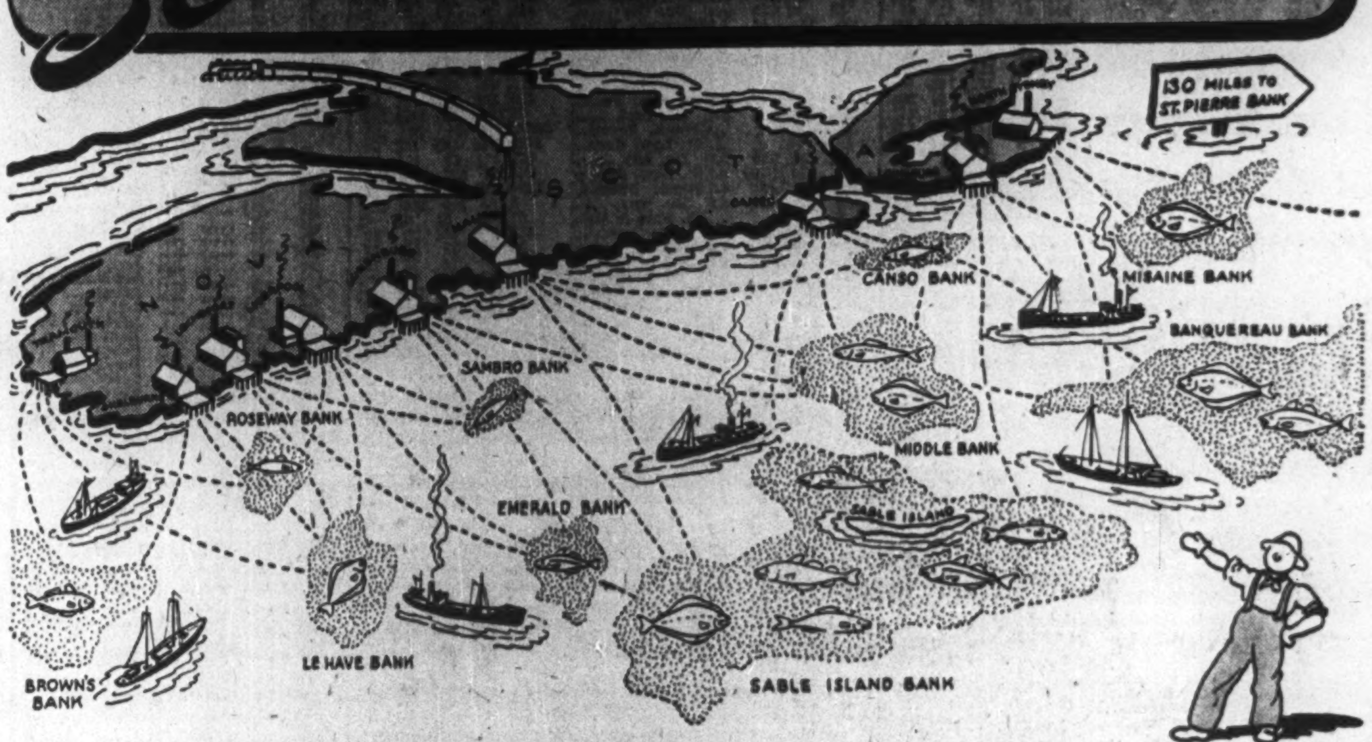
Our banking service plays its part in the developments that sprout from the tents and shacks of hardy, independent prospectors.

Imperial Bank of Canada follows the operations of the mining industry closely and provides banking service for miners and mining companies in the mining fields of Canada.



IMPERIAL BANK OF CANADA
"The Bank for You"
329

Nova Scotia is NEAREST the World's Finest Fisheries..



THE chain of banks which encircle Nova Scotia's southern and eastern shores was recognized as "the greatest cod and haddock fishery in the world" by the MacLean Royal Fisheries Commission of 1928. Seventy thousand miles in extent, these banks are noted for their prolific fish life, many billion pounds being caught there annually for the past half century without any sign of depletion.

Only a step away from these banks, Nova Scotia fishermen can land their choice cargoes of cod, haddock, sole and halibut in a matter of hours—compared with days and even weeks elsewhere. They also have equally valuable inshore waters, 110,000 square miles in area, which can be fished daily throughout the year for herring, mackerel, salmon and such delicacies as tuna, swordfish, lobsters and scallops—in all four of which Nova Scotia leads the world.

Nova Scotia not only catches the world's finest fish—but her modern processing plants use the latest filleting and freezing techniques to ensure her fish reaching even Hollywood as sea-fresh and tasty as in Halifax.

Moreover, the industry has become BIG BUSINESS—total capital invested amounting to $13,600,000 in 1944—a gain of four millions from 1939. Production, too, had climbed by fifteen millions to $23,700,000 in 1944—with fish landings actually 25% greater in 1945. Yet this progress is only a foretaste of the great expansion of Nova Scotia's fish industry now being promoted by her Division of Fisheries—the initial phase of which is a new Million Dollar fish development at Louisburg to include piers, cold storage and processing plants.

Immense supplies of fishing gear, marine engines, petroleum products, containers, etc., will be required. And this expanded industry will add further stimulus to the three hundred and sixty million dollar retail market of the Maritimes. Send for further details. Opportunity knocks in Nova Scotia!

DEPARTMENT OF INDUSTRY AND PUBLICITY
Province House, Halifax, N.S.

THE WEEK'S QUOTATIONS

Montreal and Toronto
Winnipeg, Calgary and
Vancouver

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING APRIL 3

Mining Stocks

Week Ending April 3

Unlisted Mines

Approximate quotations, 3 p.m., April 3, subject to confirmation:

	Bid	Ask		Bid	Ask		Bid	Ask		Bid	Ask
Abenakis	.04	.06	D Santis n	.08	.10	Mallen R L	.07	.08	Pinnacle	.02	.04
Advance	.04	.06	Dexter	.35	.42	Manterre	.03	.05	Poona Go	.02½	.03½
Alcan	.04	.06	Dom Mal	.02½	.03½	Marbenor	.20	.22	Presdor	.03	.04
Alexander	.06	.08	Dona Pat	.02½	.03½	Marquette	.03½	.05	Privateer	.47	.52
Aljo	.01½	.02½	Durham	.30	.33	Mar Bird	.07	.09	Quest	.18	.21
Ama Kir	.11	.13	Doris	.15	.18	Mary Ann	.05	.07	Rajah RL	.07	.09
Am Neph	.70	.75	Dulama	.14	.16	Mat Con	.30	.33	Rambull	.02	.04
Annamaq	.04	.06	Echo Indin	.07½	.09	Mate Yel	.04	.06	Rand Mal	.07	.09
Argonaut	.04	.05	Electra	.07	.10	Metalore	.03½	.05	Randona	.05	.07
Audley	.02	.04	Elmac	.09½	.11	Mica Co	1.35	1.45	Raym'd T	.04	.06
Aurlando	.04	.06	Erin Kirk	.03	.05	Miles R L	.15	.18	Rebair	.28	.31
Aurora Y	.28	.30	Flicka	.10	.13	Mink	.08	.10	Redruth	.04	.05
Auterra	.02	.03½	Gilbec	.01	.02	Moffat H n	.02½	.03½	Redwood	.03½	.04½
Barb L n	.04	.06	Goodrock	.02	.03½	Mohawk P	.02	.03	Richgroup	.08	.11
Beauriv	.08	.10	G Label	.10	.12	Murbell	.02	.03	Rhyolite	.03	.04
Bi-Ore	.44	.47	Gov Gold	.06	.09	Murmac	.15	.18	Rugged	..	.11
Blondor	.03½	.04½	Grand Ch	.70	.90	McCuaig	.06	.08	Repununi	.42	.45
Blue Grass	.03	.05	Greeplee	.09	.11	McManus	.11	.13	Russet	.15	.17
Bouzanne	.08	.11	Gwillam	.05	.07	National M	.17	.19	Salmita	.13	.15
Bourlamaq	.05	.07	Halden	.15	.18	Naybob '45	.42	.46	Santiago	.23	.27
Bradnor	.03½	.05	Habitant	.07	.09	Nereco	..	.18	Sepha	.04½	.06
B Breest	.04	.05	Harp Mal	.02½	.03½	New Aug	.13	.15	Sheldon	.34	.36
Bravo	.02½	.03½	Hayes Cd	.02½	.03½	Newcore	.38	.43	Skynner	.03	.06
Brig R L	.05	.07	Hornfault	.11	.13	Norbeau	.70	.75	Sovereign	.15	.18
B McDade	.80	.85	Hugh Pam	.05½	.08	Norcourt	.10	.12	Steeber	.01½	.03
Burley Po	.02	.03	Independ	.09	.11	Norford	.05	.06	Sun Bear	.07	.09
Camlaren	.07	.09	Indyke	..	.07	Normar	.09	.11	Thornhill	.04	.05
Captain	.05½	.07	Joannes D	.03	.05	Nortyne	.01	.03	Tiffany	.03½	.04½
Carimac	.06	.10	Kamlac	.20	.23	Novele P	.08	.11	Tobico	.02	.03
Carricona	.03	.05	Ken-Bay	.09	.11	Obalski	.06½	.08	Tovarich	.02½	.03
Cassidy	.10	.13	Kencour	.06	.07	Do '45	.19	.22	Val d'Bel	.04½	.06
Cen Mani	.12	.13	Kenda Pe	.18	.19	Obaska	.20	.22	Vincent	.36	.40
Cock RL	.05½	.07	Kenroy	.02	.04	Oklend	.07	.09	Vinray	.16	.18
Columbier	.03	.04	Lk Expa	.06	.09	Olivet	.07	.09	Virginia	.07	.11
Con Chib	.26	.28	Lar-Add	.05	.07	Opemiska	.16	.19	Wesley	.02½	.03½
Con Cop	.14	.16	La Salle	.16	.17	Orpit	.02	.03	West R L	.05	.07
Courageo	.14½	.17	Lavalie	.08½	.09½	Ortona	.07	.09	W Shore	.01	.02
Craibbe	.17	.20	Legardo	.02	.04	Pascalis	.20	.23	Wilwood	.03	.05
Croydon	.02	.04	Lennie	.06	.09	Peg Tant	1.40	1.60	Wingait	.21	.22
Cuyuni	1.15	1.25	Lingmora	.05	.07	Pelangio	.07	.08	Y'knife	2.25	2.50
Derlak	.04	.05	Louvore	.01½	.02½	Payne	.33	.35	Y Davids	.23	.25
Despina	..	.28	Major Oil	.03	.05	Phelps	.03	.05			

Dividends Declared

	This payment $	Date payable	Date of record
Aluminum, pf.	.25	June 1	Apr. 30
Anglo-Can. Tel. pf.	.56¼	May 1	Apr. 10
Anglo-Can. Tel., A	.15	June 2	May 9
Argus	.10	June 1	Apr. 30
Do., pref.	1.12½	June 1	Apr. 30
Aunor Gold M.	.05	June 2	May 9
Bk. of Nova Scotia	.30	May 1	Apr. 15
Bathurst Pr. & Pap.	.25	June 2	May 2
Bates & Innes	•.50	May 1	Apr. 16
Biltmore Hats	.10	Apr. 15	Mar. 31
Do., A	.25	Apr. 15	Mar. 31
Blue Ribbon, pf.	.62½	May 1	Apr. 15
Blew Top Brew., B	.20	Apr. 30	Apr. 15
Brant. Cord.	.12½	Apr. 15	Mar. 20
Do., pfd.	.32½	Apr. 15	Mar. 20
Brazilian Tract.	1.00	June 2	Apr. 11
Brew. & Dist. of Vanc.	•.60+.30	May 20	Apr. 21
B. C. Pwr. Corp., A	.40	Apr. 15	Mar. 31
B. C. Telephone pf.	1.50	May 1	Apr. 16
Stan. Brock, A	.15	May 1	Apr. 10
Do., B	.10	May 1	Apr. 10
Brompton P. & P.	.25	Apr. 15	unstated
Caldwell	.15	May 1	Apr. 10
Do., 1st pf.	.37½	May 1	Apr. 10
Do., 2nd pf.	.20	May 1	Apr. 10
Cal. & Ed. Corp.	.05	Apr. 15	Mar. 8
Calgary Pwr., pf.	1.50	May 1	Apr. 10
Can. Iron	.40	Apr. 15	Mar. 31
Do. 6% pfd.	.30	Apr. 15	Mar. 31
Can. Starch 7% pf.	1.75	Apr. 15	Apr. 8
Canada S.S.	.50	Apr. 15	Apr. 3
Candn. Bronze	.50	May 1	Apr. 10
Do., pf.	1.25	May 1	Apr. 10
Can. Bk. of Comm.	.20	May 1	Mar. 31
Candn. Convert., A	.18¾	Apr. 30	Mar. 26
Can. Fairbanks-M. 6% pf.	1.50	Apr. 15	Mar. 31
Can. Gen. Inv.	.17½+.20	Apr. 15	Mar. 31
Candn. Indust.	.17½	Apr. 30	Mar. 31
Do., 7% pfd.	1.75	Apr. 15	Mar. 14
Candn. Investors	.10	May 1	Apr. 7
Can. Vickers 7% pf.	1.75	May 1	Apr. 10
Can. Foreign Inv.	.75	July 1	May 30
Candn. Car & Fdry.	.20	May 22	Apr. 29
Do., A	.25	May 22	Apr. 29
Can. West. Lumber	•.12	May 1	Apr. 3
Can. North. Pwr.	.15	Apr. 25	Mar. 20
Do., 7% pf.	1.75	Apr. 15	Mar. 20
Candn. Oil	.20	May 15	May 1
Cockshutt Plow	.25	June 2	May 3
Com. Alcohols	.05	Apr. 15	Mar. 31
Do, 8% pf.	.10	Apr. 15	Mar. 31
Do.,	.25	Dec. 31	Nov. 1
Confed. L. 30% pd.	1.50	June 15	June 10
Do.	1.50	Sept. 15	Sept. 10
Do.	1.50	Dec. 15	Dec. 10
Combined Enter., p.	1.25	Apr. 15	Mar. 18
Cons. Textile, pf.	.50	June 2	May 14
Dome Mines	.25	Apr. 30	Mar. 29
Dom. Bank	.25	May 1	Apr. 15
Dom. Bridge	.30	May 23	Apr. 30
Dom. Dairies 5% pf.	.43	Apr. 15	Mar. 31
Dom. Eng. Wks.	2.00	Apr. 25	Mar. 31
Dom. Fabrics	.20	May 1	Apr. 15
Do., 6% pref.	.75	May 1	Apr. 15
Do., 2nd pref.	.37½	May 1	Apr. 15
Dom. Glass	1.00	Apr. 15	Mar. 27
Do., 7% pref.	.25	Apr. 15	Mar. 27
Dom. Malt	.25	May 1	Mar. 31
Do.	.25	Aug. 1	June 30
Do., 5% pf.	1.25	May 1	Mar. 31
Do.	1.25	Aug. 1	June 30
Dom. Oil	.30+.10	Apr. 30	Mar. 25
Dom. Tar & Chem.	.25	May 1	Apr. 1
Dom. Textile pref.	1.75	Apr. 15	Mar. 15
Dom. Woollens	.20	May 1	Apr. 15
Donna. Paper 4½%	1.12½	May 15	Apr. 15
Dryden Paper	.15	May 1	Mar. 31
East. Bakeries pf.	1.00	Apr. 15	Apr. 10
Eastern T'ships Tel.	.25	Apr. 15	Mar. 31
Eamond Mills, pf.	.25	May 1	Apr. 7
Fed. Fire Ins.	1.00	Aug. 15	Aug. 12
Ford Motors	.25	Apr. 19	Mar. 29
Foundation Co.	.35	Apr. 22	Mar. 31
Fraser	.50+1.00	Apr. 25	Mar. 29
General Stl. Wares	.20	May 15	Apr. 17
Do., pf.	1.25	May 1	Apr. 3
General Trust, pf.	1.25	Apr. 15	Mar. 31
Goodyear Tire, pf.	.50	Apr. 30	Apr. 10
Grandview Mines	†.01	Apr. 15	Mar. 15
Gr. Lakes Pwr. pf.	1.75	Apr. 15	Mar. 31
Guarantee Co. of N. A.	1.50+4.00	Apr. 15	Mar. 31
Guard'n Realty pf.	.50	Apr. 15	Mar. 31
Guaranty Trust	1½%	Apr. 15	Mar. 31
Gypsum Lime	.20	June 1	May 1
Do.	.20	Sept. 1	Aug. 1
Do.	.20	Dec. 1	Nov. 1
Hamilton Cotton	.22½	June 2	May 9
Home Oil	.15+.05	May 15	Apr. 10
Imperial Bank	.25	May 1	Mar. 31
Intnl. Bronze	.37½	Apr. 15	Mar. 15
Do., pref.	.37½	Apr. 15	Mar. 15
Do., 7% pref.	†1½%	May 1	Apr. 1
Intnl. Milling, pf.	†1.00	Apr. 15	Mar. 31
Invest. Found. 6% p.	.75	Apr. 15	Mar. 15
Journal Pub.	.17	Apr. 15	Mar. 18
Kerr-Add.	.03	Apr. 25	Mar. 31
Kirk. Lake Gold M.	.01	May 1	Mar. 28
Lake St. John P.	1.50	Apr. 15	Mar. 21
Lamaque G. M.	.02	June 2	Apr. 25
Langley's	.75	June 11	June 4
Do.	.75	Sept. 11	Sept. 4
Do.	.75	Dec. 11	Dec. 4
Lewis Bros.	.25	Apr. 30	Mar. 31
Do.	.25	July 31	June 30
Do.	.25	Oct. 31	Sept. 30
Do.	.25	Jan. 31	Dec. 31
Loblaw	†.20	June 2	May 9
W. M. Lowney	.12½	Apr. 15	Mar. 15
L. McBrine, pf.	.50	July 1	June 14
McCabe Grain	.15	May 1	Apr. 15
Mercury Mills	.25	May 1	Apr. 15
Minn. & Ont. Pap.	•.25	Apr. 15	Mar. 20
Montreal Tele.	.48	Apr. 15	Mar. 15
Nat. Biscuit	†.40	Apr. 15	Mar. 10
Nat. Steel Car	.37½	Apr. 15	Mar. 15

Dividends Declared (Con.)

	This payment $	Date payable	Date of record
N. Brunswick Tel.	.12	Apr. 15	Mar. 31
N. Scotia Trust	3.50	Apr. 15	Mar. 31
Ont. Steel Prod.	.25	May 15	Apr. 15
Do., 7% pf.	1.75	May 15	Apr. 15
Orange Crush	.15	May 1	Mar. 31
Penmans	.75	May 15	Apr. 15
Do., pref.	1.50	May 1	Apr. 1
Preston E. Dome M.	.01½	Apr. 15	Mar. 15
Pressed Metals	.25	June 10	May 10
Power Corp. 6% 2 pt. pf.	.75	Apr. 15	Mar. 20
Do., 6% pf.	1.50	Apr. 15	Mar. 20
Price Bros.	3.00	May 1	Apr. 7
Proprietary Mines	.03	May 8	Apr. 8
Prudential	.50	May 1	Mar. 31
Purity Flour, pf.	.62½	May 1	Apr. 11
Quebec Pwr.	.25	May 26	Apr. 18
Regent Knit.	.40	June 2	May 1
Robinson Cotton	.10	May 1	Apr. 1
St. Law. Corp. pf.	.25	Apr. 15	Mar. 21
St. Law. Flour	.40	May 1	Mar. 31
Do., 7% pf.	1.75	May 1	Mar. 31
St. Lawr Pap. M. p.	2.50	Apr. 15	Mar. 21
Shawinigan W.	.30	May 1	Apr. 10
Sher.-Willliams	.20	May 1	Apr. 10
N. Slater	.30	May 1	Apr. 10
How. Smith Paper	.25	Apr. 30	Mar. 31
Do., pref.	.50	Apr. 21	Mar. 31
Stand. Chem.	•.10	June 2	Apr. 30
Do., pref.	1.25	June 2	Apr. 30
Stand. Fuel, pf.	.56¼	May 1	Apr. 15
Stand. Radio	.10	Apr. 10	Mar. 21
Steel Co.	.75	May 1	Apr. 8
Do., 7% pf.	.75	May 1	Apr. 8
South. Can. Pwr.	.25	May 15	Apr. 18
Do., 6% pfd.	1.50	Apr. 15	Mar. 20
Sunset Oils	.01½	Apr. 10	Apr. 1
Teck-Hughes	.05	June 2	Apr. 25
Tuckett Tob., pf.	1.75	Apr. 15	Mar. 31
United Corps., A	.37	May 15	Apr. 15
Do., B	.25	May 30	Apr. 30
Wellington Fire	1.75	Aug. 15	Aug. 12
West. Brew.	.20	Apr. 15	Mar. 31
Western Grocers, A	.37½	Apr. 15	Mar. 14
Do., 7% pref.	.35	Apr. 15	Mar. 14
Wilson Sta., pf.	1.25	Apr. 15	Mar. 31
Zellers	.31¼	May 1	Apr. 15
Do., 5% pf.	.31¼	May 1	Apr. 15
Do., 6% pf.	.37½	May 1	Apr. 15

†N. Y. funds. •Initial. ‡Bonus.
▲Participating div.

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
‡Alexandra Apts. 1st mtge.	3%	1956	May 15	102
‡Algoma conv bds	5%	1948	May 1	101
‡Bell Tel. 1st mtge. ser. B	5%	1957	June 1	par
‡B. C. Pulp & Ppr. 1st mtge.	6%	1950	May 1	101
‡B. C. Pulp & Ppr. gen. mtge.	7%	1950	May 1	101
‡Candn Cel. debs.	3½%	1959	May 2	102½
‡Candn. Oil 1st mtge. ser. A	4%	1960	Apr. 15	101½
‡Gurney Fdry 1st mtge.	5½%	1949	May 15	102
‡Lon. Realty 1st mtge.	6½%	1950	May 1	101
‡Pacific Pwr. & Water 1st mtg.	5%	1957	May 1	102
‡Verney Mills 1st mtge.	5%	1959	May 1	102½
Windsor Gas	5%	1966	May 1	par

‡All outstanding.

Company Meetings

1947	Company	Place
Apr. 14	Bathurst Pwr. & Pap.	Montreal
Apr. 14	Hallnor Mines	Toronto
Apr. 14	Italo Argentine El.	Buenos Aires
Apr. 14	St. John Drydock	Saint John
Apr. 15	Anglo Candn. Tel.	Montreal
Apr. 15	Candn. West. Lumber	Toronto
Apr. 15	Cons. Litho. Mfg.	Montreal
Apr. 15*	Goulds Pumps	Seneca Falls, N.Y.
Apr. 15	National Hosiery	Hamilton
Apr. 15	Nuclear Enterprises	Montreal
Apr. 15	Waite Amulet Mines	Toronto
Apr. 16	Borden Co.	Flemington, N.J.
Apr. 16	Crown Cork & Seal	Toronto
Apr. 18	Candn. Bronze	Montreal
Apr. 18	Dom. Engineering	Montreal
Apr. 21	Can. Iron Found.	Toronto
Apr. 21	Dom. Steel & Coal	Montreal
Apr. 21	H. Smith Paper	Montreal
Apr. 22	Can. Malting	Toronto
Apr. 22	Montreal Locomotive	Montreal
Apr. 22	Southam Co.	Montreal
Apr. 23	Asbestos Corp.	Montreal
Apr. 23	Hamilton Bridge	Hamilton
Apr. 23	Southmount Invest.	Ottawa
Apr. 24	Aluminium Ltd.	Montreal
Apr. 24	Brew. & Dist.	Vancouver
Apr. 24	Candn. Marconi	Montreal
Apr. 24	Montreal Tram.	Montreal
Apr. 25	Hudson Bay Mining	Toronto
Apr. 25	Price Bros.	Quebec
Apr. 28	Cons. Textile Mills	Montreal
Apr. 28	M. & O. Paper	Minneapolis, Minn.
Apr. 28	St. Lawrence Corp.	Montreal
Apr. 28	Steel Co.	Hamilton
Apr. 30	Capital Trust	Ottawa
Apr. 30	Guaranty Trust	Windsor
Apr. 30	Intnl. Nickel Co.	Toronto
Apr. 30	J. A. Lang & Sons	Kitchener
Apr. 30	Mining Corp.	Toronto
Apr. 30	Normetal Mining	Toronto
Apr. 30	Porc. Reef G. M.	Toronto
Apr. 30	Quemont Mining	Toronto
Apr. 30	Western Grocers	Winnipeg
May 7	Can. Pacific Rly.	Montreal
May 7	Jamaica Public S.	Montreal

*Changed from Mar. 11.

Oil Stocks

▼ Paid in 1944. * N. Y. Funds. † Paid in 1945. x Extra
■ Sub. appl. F. E. C. B. ‡ Paid in 1946. § Capital Repayment
♦ Dividend deferred. § Paid or payable in 1947

Volume of Stock Sales

	Montreal	Toronto	Vancouver	New York
April 7	......	......	......	820,000
April 5	......	......	......	250,000
April 4	......	......	......	......
April 3	138,500	1,065,000	69,050	850,000
April 2	121,700	1,409,000	32,070	890,000
April 1	158,200	902,000	62,575	950,000

STOCKS NOT TRADED THIS WEEK

Stocks Not Traded This Week (Continued)

	Div. rate $	Last sale	Apr. 3 Bid	Apr. 3 Ask
Do. (B) rights	1.00	21½	21½	..
Tuckett Tob. p.	7.00	182	182	..
Twin City	...	14½	13½	14½
Un. Amuse. (A)	■1.25	30	30	..
Do. (B)	■1.25	29	30	..
United Corp. (A)	1.50	30	30	..
Viau Ltd.	.15	20	20	20½
Do., pref.	5.00	100	100	103
Viceroy	.28	9	10½	..
Vir. Dare 5% pf.	1.25	25	24½	25
West. Grain	...	1.90	1.50	2.00
Do., pref.	...	47½	..	35
W'minster Pap.	.50	17½	18	18½
Weston, Geo., pf.	4.50	104½	104½	105½
Willson Stat.	...	6.00	6.00	7.00
Do., pref.	5.00	100½	100	105
Windsor Hotel	...	13½	13	13½
Wood, A&J p.	7.00+*1.75	130	130	145
Woods Mfg. p.	2.00	57	55	64
York Knitting	.40	15½	15½	15½
Do., 1st pref.	7.00	172	150	..
Zellers 6% pf.	1.50	27½	28	29

*Paid in 1945. ■Paid in 1946. ‡Extra.
xOn arrears. †Paid in 1944. ▲N. Y. funds.
§Paid or payable in 1947.
•Dividend deferred.

	Div. rate $	Last sale	Apr. 3 Bid	Apr. 3 Ask
Kerr Lake	‡*.05	.37	.35	..
Kir. Hud. Bay	...	.80	.61	.84
Knee Lake	...	.05	.02	.04½
Kootenay Belle	...	.09½	.07	..
McGillivray C.	...	.18	..	.17
McLellan Gold	...	.03½	.03½	.04
Mentor Explor.	...	1.20	1.20	2.30
Normandy	...	.04½	.02½	.05
North. Empire	§.10	2.25	2.25	..
Packsack	...	.03½	.01½	.03
Prospectors Air's	...	.45	.43	.67
Quatsino	...	.14	.14½	.16
Quebec Gold	...	.97	.90	.98
Red Cloud	...	.02	.01	.03
Red Crest	...	.08	..	.09
Ryanor	...	.10	.07	.11
Silver Ridge	...	.20	..	.25
S. American G.	‡*.20	1.10	..	..
Squall Lake	...	.33	..	..
Star Lake	...	.00½	.00½	.01½
Sunloch	...	.18	..	..
Tiblemont	...	.15	..	.25
Union Min.	...	.13½	.15	.16
Winnipeg R. Tin.	...	.00½	.00½	.01½
Yukon Cons.	...	1.44	1.35	1.44

Oil Stocks:

	Div. rate $	Last sale	Apr. 3 Bid	Apr. 3 Ask
Acme Gas & Oil	...	.06½	.06½	.08
Advance	...	.01	..	..
Arrow	...	.05	..	..
Coastal	...	.12	.14	.16
Federated P.	...	.25	..	..
Freehold	...	.02½	.02	.03
Grease Creek	...	.03	.02½	.04
Hargal	...	.02	.02	..
Jumping Pound	...	.18	..	.19
Kitalto	...	.13	..	..
Mar Jon	...	.09½	..	..
Marvel	...	.02	.02	.03
McLeod	...	.05½	.05	.06
Merland	...	.02	..	..
Mill City	...	.06	.06½	.07
Model	§.02	.18	.17½	
New Valley	...	.00½	..	..
Petrol O. & G.	...	.07	.14	
Richland	...	.04½	..	
Share Roy.	†.01	.04½	.03½	
South End	...	.10	..	
South West Pete.	...	.18	.13	
Spooner	...	.09	.08½	
Sunset	§.01½	.07½	.06	
Three Point	...	.01½	.01½	
Texas Can.	...	1.35	1.35	
Turner V.	...	.20	.20	
Vulcan	...	.18½	.18½	
Vulcan Brown	...	.10	.08	
Warner	...	.00½	.01	

§Paid or payable in 1947. *N. Y. funds.
‡Paid in 1946.
†Paid in 1945.
♦Dividend deferred.

Mining Stocks

	Div. rate $	Last sale	Apr. 3 Bid	Apr. 3 Ask
Ansley	...	.08	.07	.09½
Aquarius	...	.58	.58	.61
Arno	...	.04	.04½	.05
Beatrice	...	.08	..	.09
Beaucourt	...	.35	..	.32
Boba Lake	...	.20	..	.17
Bouscadillac G.M.	...	.10	.05	.08
Bouzan	...	.10	..	..
Brazil Gold	...	.04	.03½	.07
Bruce Cons.	...	.01	..	.02
Celta Devel.	...	.09	.05	..
Coast Copper	...	1.40	1.40	1.75
Cryderman	...	.02	..	.02½
Dickstone	...	.03	.02	..
Douglas L.	...	.10	..	..
Fontana	...	.12	.11½	.12
George Copper	...	.12	..	..
Golconda	...	.18	.15	..
Goldbeam	...	.31	.27	.34
Gold Pan	...	.08	..	..
Graham B.	...	.13	..	..
Grandoro	...	.12	.12	.15
Grandview	§.01	.20	.20½	..
Grull Wihksne	...	.08	.09	.10
Great Falls M.	...	.02	.02	.04
Hudson R.	...	.24	.15	.24
Int. Mining	...	10.00	..	..
Island Lake	...	.01	..	.02
Island Mountain	§.07	1.60	1.30	1.60

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

Apr. 8, 1947

%	Due	Bid	Ask.
Victory Loans:			
3	June 1951 ...	105	105½
3	Mar. 1954 ...	106	106½
3	Nov. 1956 ...	105¾	106¼
3	May 1957 ...	104¾	105¼
3	Jan. 1959 ...	104½	105¼
3	June 1960 ...	104¾	105¼
3	Feb. 1962 ...	104¾	105¼
2¾	Mar. 1948 ...	100⅞	101¼
1½	Mar. 1948 ...	100¼	100¾
1½	Nov. 1948 ...	100¼	100¾
1½	Nov. 1950 ...	100¼	101¼
3	Oct. 1963 ...	104¾	105¼
3	Sept. 1966 ...	104¾	105¼
1½	Nov. 1949 ...	100½	101¼
Dom. of Canada Bonds			
3¼	Nov. 1951 ...	102¾	103¼
4	Oct. 1952 ...	101½	102
3¼	Feb. 1952 ...	104¼	105
3	Oct. 1952 ...	103¼	103¾
3	June 1955 ...	104	104
4½	Nov. 1957 ...	101¾	102¼
3	June 1958 ...	104¾	105¼
4½	Nov. 1958 ...	104¼	104¾
4½	Nov. 1959 ...	106¾	107¼
3¼	June 1966 ...	106	106½
3	Perpetual . .	103¾	104¾
Dom. Guarant'd Bonds			
Can. Nat. Railways:			
3	Jan. 1959 ...	103¾	104¾
4½	Sept. 1951 ..	*110½	*112½
4½	Feb. 1956 ..	*117½	*119
4½	July 1957 ..	*120	*122
3	Feb. 1953 ...	101½	102¾
4½	June 1955 ..	*118½	*120½
5	Feb. 1954 ...	117½	118¾
5	Feb. 1970 ..	*113	*114½
5	Oct. 1969 ..	*112½	*113½

%	Due	Bid	Ask.
Can. Natl. W. Ind. S.S.:			
5	Mar. 1955 ...	118½	120
Grand Trunk Pacific Rly.:			
3	Jan. 1962 ..	*105	*107
4	Jan. 1962 ..	*115½	*117½
Montreal Harbour Com.			
5	Nov. 1969 ..	*112½	*113½
Provincial Govt. Bonds			
New Brunswick:			
3½	June 1956 ..	103½	105½
4½	Apr. 1961 ...	125	127
5	Jan. 1960 ...	128	130
2¾	June 1966 ...	93	100
Nova Scotia:			
3	Jan. 1952 ...	104	105½
3½	June 1956 ...	105½	106¾
3½	Nov. 1950 ...	105½	106¾
4½	Nov. 1960 ...	126	128
5	Mar. 1960 ...	131	133
3	June 1958 ...	102¾	104½
Ontario:			
3½	Nov. 1951 ...	103½	104½
3½	May 1955 ...	106	107½
4	June 1962 ...	123	125
4½	June 1950 ...	107¾	109½
4½	Jan. 1962 ...	128	130
5	Oct. 1948 ...	104¾	106
5	Dec. 1960 ...	133½	135½
2¾	July 1975 ...	100	101½
Ont. Hydro Commission:			
3½	Feb. 1953 ...	103¾	105
4	Aug. 1957 ...	119	121
2¾	June 1971 ...	100	100½

%	Due	Bid	Ask.
Prince Edward Island:			
4	Mar. 1954 . .	102	105
Quebec:			
3½	Mar. 1959 ...	106	107½
4	Nov. 1952 ...	106¾	108½
3½	Feb. 1955 ...	107	108½
4½	Aug. 1958 ...	114½	116
4½	Jan. 1963 ...	121	122½
3	Feb. 1962 ...	103½	105
Alberta:			
3½	June 1964 ...	101¾	103¾
3½	June 1959 ...	102¾	105½
3½	June 1972 ...	103½	105¾
British Columbia:			
4	Dec. 1957 ...	117	119
4½	Jan. 1951 ...	115	117
4½	Oct. 1953 ...	118	120
5	Apr. 1954 ...	122	124
2¾	Apr. 1966 ...	98¾	100¾
5	Sept. 1953 ...	114½	116½
Manitoba:			
4	Dec. 1957 ...	117	119
4½	Dec. 1956 ...	121	123
5	Dec. 1959 ...	128	131
5½	Oct. 1955 ...	119	121
Saskatchewan:			
4	Sept. 1954 ...	100¾	102¾
4	Nov. 1960 ...	103¾	105¾
4½	Oct. 1951 ...	110½	112½
4½	Mar. 1960 ...	114	116
5	Aug. 1958 ...	114½	116½
5	Dec. 1959 ...	118½	120½
5½	Oct. 1952 ...	110	112
6	Mar. 1952 ...	111	113

*N. Y. funds.

Unlisted Stocks

(Compiled from quotations supplied by Kamm, Garland & Co., Kippen & Co. and Plaxton, McDonnell & Co.)

Apr. 7, 1947

	Bid	Ask
Allens Toronto units	39.00	....
Anglo Amer. Timber	1.60	1.90
Anglo Can. Telephone A	11.50	12.50
Beauharnois L. H. & P.	2.75	....
Brandram Henderson	12.50	14.50
British Mortgage & Trust	167.00	....
B. C. Sugar	90.00	94.00
Canada Paving 1st pfd.	7.75	....
Canadian Airways	2.00	3.00
Can. Ingersoll Rand	60.00	63.00
Can. Investment Fund	4.55	5.25
Can. Investors Corp.	7.25	8.25
Can. Motor Lamp A	12.00	13.25
Can. Silk Products	30.00	32.00
Can. West. Nat. Gas pfd.	106.00	....
Capital Wire Cloth com.	10.00	....
Capital Wire Cloth pfd.	23.00	....
Cawthra Apts. units	4.50	....
Chase A. W. units	38.00	....
Chatco Steel com.	3.00	3.75
Chatco Steel pfd.	7.75	8.75
Colonial Steamships com.	74.00	79.00
Commercial Finance com.	12.00	14.00
Commercial Life 10% paid	7.75	....
Commonw'lth. Inter. Corp.	3.58	3.93
Cooksville com.	13.50	15.50
Cooksville pref.	86.00	....
Confed. L. Assoc. 30% pd.	150.00	....
Continental Life 20% paid	40.00	....
Detroit Inter. Bridge	13.00	15.00
Dover Industries Ltd.	12.00	13.00
Dunlop Tire pfd.	25.00	27.00
Empire Life Ins. 25% pd.	17.00	19.00
Fed. Found. & Stl. new c.	1.50	2.00
Foreign Power Sec., pfd.	11.00	13.00
Galt Brass com.	31.00	....
Goderich Elev. & Trans.	15.75	16.75
Great Lakes Power	114.00	....
Great West Life	400.00	425.00
Guardian Realty pfd.	37.00	....
Guaranty Co. of N. Amer.	385.00	....
Guelph and Ont. Svgs. $50	57.00	....
Gurney Foundry pfd.	3.80	4.35
Halifax Ins.	17.00	19.00
Hart Battery com.	9.00	10.00
Imperial Life	335.00	380.00

	Bid	Ask
Interprovinc'l Brick A pfd.	38.00	....
Interprovinc'l Brick B pfd.	16.00	....
Lambton Ln. & Inv. $50 par	75.00	....
Laprairie com.	5.00	7.00
Laprairie pref.	64.00	....
Loblaw Groc. Inc.	21.50	22.50
Manufacturers Life Ins.	310.00	340.00
Maxson Food System	1.00	2.50
Midland Loan & Svgs. $10	18.50	....
Monarch Life 30% paid	91.00	....
Monarch Mtge. units	3.75	4.75
Montreal Island Power pf.	....	38.00
Montreal Trust Co.	93.00	....
Mountainview Apts.	16.00	....
Naetional Drug & Chem., com.	9.00	9.75
Do., old com.	10.00	11.00
Do., pref.	13.00	14.00
New Brunswick Telephone	13.50	15.00
Northern Tel. com.	1.50	....
Ont. Tobacco Plant units	60.00	....
Paramount Kitchener units	55.00	....
Peller Brewing com.	9.00	10.00
Provincial Bank of Can.	15.25	16.00
Prudential Trust	9.50	11.00
Sawyer Massey com.	1.25	1.75
Seiberling Rubber com.	12.00	15.00
Sincen. McNaughton Tugs	2.25	....
Sherbrooke Trust	140.00	....
Sovereign Life Assce. 25%	36.00	40.00
Standard Fuel pfd.	47.00	50.00
Standard Fuel com.	3.00	5.00
Sun Life Assce.	510.00	530.00
Third Can. Gen. Inv.	3.50	4.00
Toronto Carpet pfd.	97.00	....
Toronto General Ins.	6.00	7.00
United Farmers Co-op.	3.00	....
United Steel A pfd.	25.00	27.00
University Tower	7.00	....
Victoria Trust & Svgs.	124.00	....
Waterloo Mfg. com.	7.50	9.50
Western Assurance com.	65.50	....
Western Grain com.	1.50	2.00
Western Grain pfd.	32.00	35.00
York Trading com.	10.25	....

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 10	Pulp and paper 8	Milling 4	Oils 4	Textiles and clothing 9	Food and allied prod. 13	Beverages 8	Bldg. mater. 16	Power and traction 14	Banks 8	Total utilities 18	Total co's. 100
(Base 1935-39=100)												
*1935 to date:												
High	210.2	287.9	149.7	123.7	214.4	138.5	447.0	168.5	146.2	136.3	149.0	126.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.2	61.1
1946: Monthly Figures:												
Jan.	168.2	252.6	130.8	90.0	183.7	127.8	357.6	149.0	125.7	121.6	148.8	123.5
Feb.	172.9	248.5	132.1	84.8	187.8	130.3	334.0	150.5	122.7	126.8	146.0	121.8
Mar.	189.2	244.4	130.6	81.6	186.8	129.0	327.8	148.6	121.7	129.2	142.4	119.2
Apr.	207.0	177.3	141.4	84.6	200.2	134.6	353.8	160.6	124.8	133.6	145.4	125.1
May	205.7	278.3	140.8	74.7	208.3	136.6	410.6	164.0	117.8	134.2	146.7	124.4
June	202.1	282.5	141.7	73.1	210.3	136.4	410.3	167.0	110.0	135.0	138.4	123.3
July	190.0	266.1	140.0	71.8	206.4	134.0	430.2	157.3	109.8	135.3	132.2	119.1
Aug.	187.6	268.6	139.4	70.8	207.9	129.9	430.5	154.1	109.9	132.3	130.3	116.9
Sept.	162.7	229.4	122.6	64.9	190.5	123.7	349.2	137.1	103.7	124.1	118.8	104.4
Oct.	166.0	233.3	123.0	63.2	182.1	122.8	330.9	133.9	103.8	124.7	114.1	101.8
Nov.	173.7	235.1	122.7	63.1	180.7	121.0	314.3	134.9	107.5	129.8	115.2	102.5
Dec.	180.2	250.0	123.9	63.6	181.8	123.3	317.1	138.4	110.3	122.5	118.3	106.4
1947: Monthly Figures:												
Jan.	179.9	253.7	124.9	63.0	182.9	124.0	303.5	142.0	108.1	133.1	117.7	106.2
Feb.	184.9	264.3	125.3	68.6	190.6	129.8	302.5	145.3	110.4	133.4	121.8	109.4
1947: Weekly Figures:												
Mar. 6	181.0	260.0	125.9	67.6	191.6	130.2	296.0	143.6	113.1	132.1	121.5	107.9
Mar. 13	177.4	255.4	123.0	65.6	187.2	128.6	289.5	139.7	112.3	130.1	119.7	105.6
Mar. 20	180.0	257.2	121.8	64.8	185.3	129.6	292.6	139.2	111.7	130.4	119.0	105.6
Mar. 27	181.2	259.5	121.4	65.7	182.4	128.7	294.6	139.0	112.6	130.2	120.2	106.5

*High and low for years from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Apr. 7	.....	.....	.....	.....
Apr. 5	.....	.....	.....	.....
Apr. 4	.....	.....	.....	.....
Apr. 3	174.29	112.53	88.68	24.62
Apr. 2	174.68	113.30	88.39	24.54
Apr. 1	173.90	107.36	87.73	24.67
Month ago	178.83	111.52	89.51	25.67
Year ago	194.26	132.69	90.77	30.24
1947 High	184.21	114.35	96.14	28.39
1947 Low	171.54	105.82	83.64	22.28

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Comb.	10 Pprs.	15 Golds
Apr. 7	...	....	....	.....	.....
Apr. 5	...	....	....	.....	.....
Apr. 4	...	....	....	.....	.....
Apr. 3	77.2	123.5	108.0	345.49	74.34
Apr. 2	77.1	123.5	108.1	349.40	74.33
Apr. 1	77.1	123.3	107.9	346.27	73.00
Month ago	78.3	126.8	110.6	341.96	73.29
Year ago	82.0	139.4	120.3	366.13	104.51
1947 High	78.5	130.0	112.5	361.92	76.47
1947 Low	75.1	122.6	106.8	329.98	70.02

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
Apr. 7	175.39	47.90	35.74	62.89
Apr. 5	187.71	48.39	35.92	63.38
Apr. 4	.....	.....	.....	.....
Apr. 3	176.52	48.44	35.94	63.36
Apr. 2	177.32	48.75	36.00	63.65

	30 Indust.	20 Rails	15 Util.	65 Stocks
Apr. 1	177.45	48.66	35.83	63.61
Month ago	175.18	48.90	36.04	63.24
Year ago	208.03	64.27	43.13	77.16
1947 High	184.49	53.42	37.55	67.10
1947 Low	171.95	47.53	35.50	62.07

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

April 8, 1947

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
ΔAlg. Cen.H.B.R.	5	'59	71½	74½	70½
†Assoc. Tel. & T.	5½	'55	108	...	107½
Bell Telephone	3	'77	102	104	102
B. C. Electric	3½	'67	99½	101½	99½
†Calgary Pwr.	5	'60	102½	...	102½
‡Do.	5	'64	103½	...	103½
‡Gatineau Pr. A	3½	'70	103½	106	103½
*Do., B	3	'70	103	105½	103
Gt. Lakes Pr.	4½	'56	101½	104	101½
Do.	5	'57	101½	104	101½
*Int. Hydro-El.	6	'44	103½	106	103½
L. St. Law. Pr.	3½	'65	102	104	102
Mtl. L. H. & Pr.	3½	'56	101	103	101
Do.	3½	'63	102	104	102
Do.	3½	'73	99½	101½	99½
†Mtl. Tramways	5	'51	100	102	100
†Do.	5	'55	100	102	100
Nat. Lt. & Pr.	4½	'61	102	...	102
Otta. L. H. & P.	4	'57	101½	...	101½
†Power Corp.	4½	'59	103½	...	103½
Quebec Pwr.	3	'62	99½	101½	99½
St. Maurice Pr.	3½	'70	100	102	100
Shaw. W. & Pr.	3	'71	99½	101½	99½
Do.	4	'69	104	...	104
Union Gas	4½	'50	100½	103	100½
†United Secs.	3	'52	99½	...	99½
Wpg. El.	3½	'71	101½	103½	101½
Industrial and Realty Issues:					
†Abitibi Pr. P.	3½	'67	99½	101½	99½
Acadia-Atlantic Sugar	3½	'65	103	105	103
Algoma Steel	5	'48	100	102½	100
Aluminum Co.	3½	'74	105	...	105
Brown Co.	5	'59	103	105½	103
Burns & Co.	4	'63	99½	102	99½
Can. Celanese	3½	'59	102	...	102
Canada Electric	3½	'67	99½	...	100½
Can. Steamship	3½	'57	101½	103½	101½
Can. W. Lum.	4	'62	101	103½	101
C. P. R.	3½	'51	104	...	104
Do.	4	'49	104	...	104
C. P. R.	4	Perp.	109	...	109
Consol. Paper	3½	'67	100	102	100
Dom. Coal	4½	'52	100	102	100
Dom. Scot. Inv.	4	'52	97	...	97
Dom. T. & Ch.	3½	'57	103	...	103
Dom. Textile	3½	'59	105	...	105
Dom. Woollens	5	'64	102½	104	102½
†Donnacona Pa.	4½	'56	100½	103	100½
Dryden Pap.	4	'61	101½	...	101½
†Federal Grain	4	'64	102	104	102
Ham. Cotton	3½	'59	100½	...	100½
Imp. Tobacco	2¾	'66	100	102	100
Inter-City Bak.	5½	'48	100	...	99½
Indust. Accept.	3½	'66	100½	102½	100½
Ins. Ex. Bldg.	5	'51	98½	...	98½
(Bowater's Nfld. P. & P.	4	'68	100½	102	100½
*Inv. Bd. & Sh.	5	'47	97	...	97
Lake St. J. P.	5½	'61	102	104½	102
Do.	5	'61	101½	104	101½
Legare	6	'61	100	...	100
MacMillan (H.R.) Export	4	'65	101	103	101
Maple L. M.	3½	'63	102½	104½	102½
Massey-Harris	3	'66	98½	101	98½
McColl-Fron.	3	'71	99½	101½	99½
McCormicks	4	'52	100½	...	100½
Mercury Mills	4	'59	100½	...	100½
Moirs Ltd.	6	'53	99½	...	99½
Montreal Apts.	4	'54	97	99	97
Price Bros.	3½	'66	102	104	101½
Silv. Dairies	4	'60-64	101	...	101
Do.	4	'71	99	101	99
Simpsons, Ltd.	3½	'60	102½	...	102½
Toronto Elevat.	3½	'66	101½	...	101½
United Corp.	4	'58	100½	101½	100½
†Western Grain	5	'63	98	...	97½
York Kt. Mills	3½	'71	99½	101½	99½

*Payable in Can. or U. S.
†Payable in Can., U. S. or U. K.
*Payable in U. S.
‡Payable in Canada only.
ΔPayable in Can. or U. K.

Municipal Bonds

April 8, 1947

	Coup. %	Matur.	Bid $	Ask. $	Yld. %
Victoria	3¾	'55-67	103	105½	2.95
Vancouver	3	'67	99	102	2.87
Calgary	3½	'51-61	101⅛	104½	2.25
Edmonton	3⅛	'49-59	100⅛	103½	1.78
Regina	3	'64	98½	101½	2.89
Moose Jaw	3-3¼	'60	98	101	3.20
Winnipeg	2¾	'66	98	101	2.68
Ottawa	3	'54	104	106	2.10
Toronto	2¾-	'72	100	101½	2.67
Hamilton	3	'53	104½	106½	1.85
Windsor	2½	'75	84	87	3.20
Windsor	2¾	'75	89	92	3.18
Windsor	3½	'75	98	101	3.45
Montreal	3	'70	99½	101½	2.92
Quebec	2¾	'66	98	100	2.75
Halifax	3	'66	101	103	2.80
Saint John	3½	'65	105	107½	2.97

Investment Trusts

	Bid	Asked
Affiliated Funds	4.48	4.91
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	4.55	5.25
Can. Inv. Corp.	7.25	8.25
Commonwealth Int.	3.57	3.92
Corporate Inv.	9.15	9.85
Trans-Canada, A	13.55	....
Do., B	....	12.85

Stock Redemptions

Company:	Rate	Date	Price
‡Algoma Steel Corp. pf.	5%	July 1	100*
‡Monarch Knit. pf.	5%	Apr. 30	100*

‡All outstanding shares. *Plus accrued dividends.

Commodities

Cattle	$14.25	$14.22	$12.11
Hogs	21.47	21.35	17.67
Copper, lb.	.21½	.21½	.12
Sugar, raw, lb.	.06125	.06125	.0374
Coffee, lb.	.26⅛	.27	.09¾
Hides	.27	.26	.15½
Weekly Indices			
U. S. Labor	149.0	148.3	108.4
Dow Jones	134.87	131.51	110.13
Fishers	160.3	161.0	118.4
Monthly Indices			
Retail (Mar.)	128.9	127.8	120.1
W'sale (Feb.)	118.1	114.2	105.2
U. S. (Dec.)	140.9	139.6	107.1
Gt. Brit. (Dec.)	179.9	179.0	169.3

Note:—The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good over 1,050 lb., top price, Toronto. Copper - electrolytic, New York. Coffee No. 4 Santos. Rio Sugar 96 degrees centrifugal c/f New York.

MAPLE LEAF MILLING

Company Limited

DIVIDEND NOTICE

Notice is hereby given that a Dividend of Fifty Cents per share has been declared on the Common Stock of the Company, payable on the Fifteenth Day of May, 1947, to Shareholders of Record at the close of business on the Nineteenth Day of April, 1947.

By Order of the Board.

G. H. HAND,
Secretary.

Toronto, Ontario,
April 3rd, 1947.

DIVIDEND NOTICES

The Canadian Bank of Commerce

DIVIDEND NO. 241

NOTICE is hereby given that a DIVIDEND OF TWENTY CENTS per share on the paid-up Capital Stock of this Bank has been declared for the quarter ending 30th April, 1947, and that the same will be payable at the Bank and its Branches on and after THURSDAY, the FIRST day of MAY next, to Shareholders of record at the close of business on 31st March, 1947. The Transfer Books will not be closed.

By Order of the Board.

S. M. WEDD,
General Manager.

Toronto, 21st March, 1947.

CANADA MALTING CO., LIMITED

NOTICE

NOTICE is hereby given that the Annual General Meeting of the Shareholders of CANADA MALTING CO., LIMITED, will be held at the King Edward Hotel, in the City of Toronto, on Tuesday, the 22nd day of April, 1947, at the hour of 11.30 a.m. to receive and, if thought fit, adopt and approve the report of the Directors and the financial statement of the Company, to elect Directors for the ensuing year, to appoint Auditors for the ensuing year and fix their remuneration, and to transact such other business as may properly come before an Annual Meeting.

By Order of the Board.

GEORGE J. WILLIAMS,
Secretary.

Toronto, Ontario, March 12, 1947.

NOTICE to Holders of Share Warrants under the Regulations of the Company adopted by the Company.

Holders of Share Warrants, in order to vote at the above meeting, must deposit their Share Warrants with The Toronto General Trusts Corporation, the Transfer Agent of the Company, or with a chartered bank, and receive a voting certificate, which must be produced at the meeting or filed with a proxy before the meeting. Forms for this purpose can be obtained from The Toronto General Trusts Corporation, the Transfer Agent of the Company, at its Toronto office, or from the office of the Canada Malting Co., Limited, Royal Bank Building, Toronto.

THE SHERWIN-WILLIAMS COMPANY OF CANADA, LIMITED

Notice is hereby given that a quarterly dividend of Twenty Cents (20c) per share for the quarter ending February 28, 1947, has been declared on the Ordinary Stock, without nominal or par value, of the Company, payable May 1, 1947, to Shareholders of record the 10th day of April, 1947. Books not closed.

By Order of the Board.

P. W. HOLLINGWORTH,
Secretary-Treasurer.

Montreal, Que.
February 6, 1947.

Atlas Steels Limited

Notice is hereby given that a regular quarterly dividend of Fifteen Cents (15c) per share upon the paid-up Capital Stock of this Company has been declared and that the same will be payable May 1st, 1947, to shareholders of record on the books of the Company at the close of business on April 16, 1947.

By Order of the Board,

A. R. HUBBARD,
Secretary.

April 7, 1947.

The Hamilton Cotton Company Limited

DIVIDEND NOTICE

Notice is hereby given that a Dividend of 22½ cents per share on the outstanding Common Shares of the Company has been declared for payment June 2nd, 1947, to Shareholders of Record at the close of business May 9th, 1947.

By Order of the Board,

E. GLOVER HOWE,
Secretary.

Dated at Hamilton, March 31st, 1947.

Bates & Innes Limited

DIVIDEND NOTICE

Notice is hereby given that the regular Half-Yearly Dividend of FIFTY CENTS per Share has been declared on the "A" Shares of the Company, payable May 1st, 1947, to Shareholders of record of the 16th day of April, 1947.

By Order of the Board.

E. H. RITCHIE,
Secretary-Treasurer.

Carleton Place, Ontario.
March 31st, 1947.

Northwestern Utilities Limited

DIVIDEND NOTICE

NOTICE is hereby given that a quarterly dividend of One Dollar ($1.00) per share on the 4% Cumulative Preferred Shares of the par value of $100.00 each of the Company will be paid on the 1st day of May, 1947, to all shareholders of record at the close of business on the 15th day of April, 1947.

Dated at Calgary, Alberta, this 3rd day of April, A.D. 1947.

By Order of the Board,

D. K. YORATH,
Secretary.

AUNOR GOLD MINES LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that an interim dividend of Five Cents (5c) per share, payable in Canadian funds, has been declared by the Directors of Aunor Gold Mines Limited, payable June 2nd, 1947, to shareholders of record May 9th, 1947.

By Order of the Board.

J. R. BRADFIELD,
Secretary.

Toronto, Ontario,
April 2nd, 1947.

Canada Steamship Lines Limited

A dividend of fifty cents per share on no par value common shares of Canada Steamship Lines Limited, covering the six months period ended December 31, 1946, was declared payable April 15, 1947, to shareholders of record, April 3, 1947.

Dated at Montreal, this 1st day of April, 1947.

R. B. THOMSON,
Secretary.

DIVIDEND NOTICES

THE DOMINION BANK

DIVIDEND NO. 258

Notice is hereby given that a dividend of two and one-half per cent (twenty-five cents per share) upon the paid-up capital stock of this Bank has been declared for the quarter ending 30th April, 1947. The dividend will be payable at the Head Office of the Bank and its Branches on and after Thursday, the first day of May, 1947, to shareholders of record of the 15th April, 1947.

By Order of the Board.

ROBERT RAE,
General Manager.

Toronto, 13th March, 1947.

Canadian Food Products Limited

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that the following dividends have been declared:

A dividend of $1.12½ per share on the outstanding 4½% Cumulative Convertible Redeemable Preference Shares in the Capital Stock of the Company payable on July 1, 1947 to shareholders of record at the close of business on May 30, 1947.

A dividend of .25c per share on the outstanding Class A shares in the Capital Stock of the Company payable on July 1, 1947 to shareholders of record at the close of business on May 30, 1947.

A dividend of .18¾c per share on the outstanding Common shares in the Capital Stock of the Company payable on July 1, 1947 to shareholders of record at the close of business on May 30, 1947.

By order of the Board.

HOWARD R. DOUGLAS,
Secretary.

Toronto, Ontario.
April 3, 1947.

CANADIAN UTILITIES LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that a quarterly dividend of One Dollar and Twenty-five cents ($1.25) per share on the 5% Cumulative Redeemable Preferred Shares of the par value of $100.00 each of the Company will be paid on the 15th day of May, 1947, to all shareholders of record at the close of business on the 25th day of April, 1947.

Dated at Calgary, Alberta, this 3rd day of April, A.D. 1947.

By Order of the Board,

D. K. YORATH,
Secretary.

A. J. Freiman, Limited

Notice is hereby given that subject to the approval of the Foreign Exchange Control Board a quarterly dividend of twelve and one half cents (12½c) per share on the common shares of the Company has been declared, payable on and after the first day of May, 1947, to holders of record at the close of business on the 15th day of April, 1947.

Dated at Ottawa this 5th day of April, 1947.

LAWRENCE FREIMAN,
President.

A. J. Freiman, Limited

Notice is hereby given that subject to the approval of the Foreign Exchange Control Board the quarterly dividend of 1⅛% upon the outstanding preference shares of the Company has been declared, payable on and after the 1st day of May, 1947, to holders of record at the close of business on the 15th day of April, 1947.

Dated at Ottawa this 5th day of April, 1947.

LAWRENCE FREIMAN,
President.

Purity Flour Mills Limited

Dividend Notice
Cumulative Redeemable Preference Shares

Notice is hereby given that the regular quarterly dividend of sixty-two and one-half cents (62½c) per share, on the Cumulative Redeemable Preference Shares of the par value of $40 each, will be paid on the 1st day of May, 1947, to shareholders of record at the close of business on the 11th day of April, 1947.

This dividend covers the period from 1st February, 1947, to 30th April, 1947.

By Order of the Board,

A. H. DENOON,
Secretary.

Toronto, Ontario, 7th April, 1947.

NOTICE

The Montreal Cottons Limited

NOTICE IS HEREBY GIVEN THAT THE ANNUAL GENERAL MEETING of the Shareholders of The Montreal Cottons Limited will be held at the office of the Company, 710 Victoria Square, Montreal, on Wednesday, the 16th day of April, nineteen hundred and forty-seven, at the hour of 11.00 o'clock a.m. for the purpose of: Considering and, if thought fit, confirming action of the Directors in enacting By-Law No. 64, receiving the Annual Report, electing a Board of Directors for the ensuing year, appointing auditors, and to transact such further business as may come before the meeting.

By Order of the Board,

CHAS. GURNHAM,
Secretary-Treasurer.

Valleyfield, April 1st, 1947.

ROUYN-NORANDA AREA

We have available a map showing some of the principal operations in this active area free on request.

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Market Comment

Canadian stocks opened narrowly lower after the Easter week-end. Drifting action developed into a sharp downward movement late Tuesday afternoon, when urgent selling hit the New York exchanges. The U. S. stock market had appeared to be weathering the week's adverse strike developments with surprising calm when a news report regarding current negotiations between U. S. Steel Corp. and labor officials hit the street like a bombshell. The report, attributed to an unnamed labor leader, was that practically no progress had been made to date in panel discussions. Only three weeks remain until present extended contract runs out and labor and company officials haven't even gotten around to wage discussions yet, it was said. By midweek, the street was having painfully to revamp its thinking about earlier discounted strike possibilities.

Support was lacking in most Canadian gold issues at early midweek, particularly in the case of those stocks which had sharp runups last week on dollar discount rumors. Traders, grown tired of widely rumored week-end announcements on dollar discount which have not come off, are now sceptical about such a development for several more weeks at least. It is highly improbable that any change will be effected until the current world trade conference at Geneva has progressed further, at any rate, some officials say.

• • •

Crabtree & Co. (Montreal) "The investor may well take note of the steady and pronounced waning of liquidating pressure, for liquidating and bear markets are synonymous—bear markets end when liquidation loses its force. In the present instance, share turnover has shrunk progressively on the successive selling waves since Labor Day and resistance has proved effective on the last two declines at a level approximately 10 points above the triple bottom established last fall. Here is strong evidence that long-range investment holdings are not being dislodged by widely discussed fears of business recession. This absence of any general urge to liquidate stocks, may yet prove more significant in terms of future trend, than the more highly-publicized unwillingness of the market to place anything approaching normal valuations upon current near-record earnings and generous dividends."

Barron's: The Trader (New York) "By the tests of brokerage loans, dwindling volume of transactions, and substantially higher market bottoms than those of Sept., Nov., 1946, the technical position of the stock market appears immeasurably stronger than last summer. Business activity has yet to give way . . . The new-issues market for bonds and stocks is the soundest since mid-summer, 1946. Earnings are strong; dividends are liberal. Only fear of deflation, born of the memory of 1919-21 and 1929-32, inhabits a host of potential stock buyers." Pick up New highs and lows—

• • •

NEW HIGHS AND LOWS

During the week ended April 7 there were 18 new highs recorded among the "general" stocks traded on Canadian stock exchanges, and 29 new lows. In the mining group there were 12 new highs and 35 new lows. Two new highs and four new lows were recorded in the oil stocks.

New Highs—1947

Bertram & Sons B
Bowes B
Butterfly Hose.
Can. Vickers
Dom. Dairies pref.
Dryden Paper
Fibre Products
Hahn Products
Hubbard
Maritime Tel.
Monarch Knit. pf.
Montreal Cottons
N. S. Lt. & Pwr. pf.
Orange Crush warr
Robinson Little
Scythes
Stand. Chem. pf.
Westeel Products

New Lows—1947

Argus warrants
Bell Telephone
Brand, Henderson
B. C. Power A
Caldwell Linen
Canada Bread pf.
Can. Cottons pf.
Can. Food A
Can. Gen. Inv.
Can. Pr. & Pap In.
Can. Westingh'se
Consumers' Gas
Dom. Glass
E. Koot. Pwr. pf.
Grt. West Sadd. pf.
Hubbard A
F. W. Horner A
Imperial Bank
Lake St. John Pwr
MacMillan Export
Montreal Cottons
Page Hersey
Pauls S. S.
Rand S. S.
Renfrew Textiles
Southam
Stand. Paving
Traders Finance
Walker-Good.

MINING

New Highs—1947

Aunor
Castle Tre.
Chromium
El Sol
Kirkland Lake
Lingman L.
Martin McN.
New Louvre
Omnitrans
Steeloy
Uchi bonds stamp.
Ymir Girl

New Lows—1947

Band Ore.
Brewis
Bridge R.
Cartier Mal.
Centremaque
Chimo
Cochenour
Coin Lake
Coniaurum
Discovery
Diversified
Gillies Lake
Gold Crest
Gold Eagle
Halliwell
Hard Rock
Heath
Jason
Leitch G.
Lexindin
Minto
Moneta
Moshier L. L.
Mylamaque
New Calumet
Norzone
Orlac
Pac. Nickel
Pickle Crow
Premier Gold
Richmac
Standard
Villbona
Winchester
Wright-Harg.

OILS

New Highs—1947

Alliance
New Ranch.
Nordon
Oil Selections
Royal Crest
Superior

HALDEN RED LAKE MINES advises that hole No. 7 was temporarily discontinued at 480 ft. when hole straightened up vertically. Casing has been left in for future drilling below 1,000 ft. The hole was drilled 75 ft. west of No. 4 to check at depth assays secured in hole 4, where a 27-ft. section showed practically continuous assays which ran as high as $12.95. Hole No. 78 is now being drilled for same purpose.

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COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

BURNS & CO. 1946 net profit was up 58.7%. Reduced interest charges and income tax provisions were important factors in improved showing. Over-all sales were down 5⅓% from last year. Actual packinghouse operations, however, showed a decrease of 17% in sales, directly attributable to a decline in hog marketings. Export sales were $20,570,800 as compared with $34,585,000.

Packinghouse operations contributed $234,308 to net profit while additional income, including dividends and returns on other investments, totalled $237,900. Wage increases during the year represented an annual advance of approximately $800,000.

Western Canada livestock production has shown a drastic decline, and outlook for 1947 shows no material signs of improvement for at least the first nine months, President R. F. Dinning states. Some increase in hog production is looked for in the last three months. Western farmers will continue to turn more and more to grain growing unless some incentive is given to feed the grain they grow, it is stated.

INCOME ACCOUNT

Years Ended:	Jan. 1 1947	Dec. 28 1945
Total net income	[illegible]	$1,510,784
Less: Deprec.	867,841	[illegible]
Bank int.	31,144	52,098
1st mtge. bond int.	142,361	194,716
War invent. res.	......	62,000
Income tax	167,888	216,000
Net profit	472,989	297,348
Less: Divds.	176,280	......
Surplus for year	295,710	297,348
Times Bond Interest Earned:		
Before deprec.	10.19	7.49
After deprec.	5.50	3.88
Earnings per Share and Dividend Record:		
Cl. A: Earned	$14.10	$8.86
Earned‡	4.07	2.84
Paid	2.00	......
Cl. B: Earned‡	2.07	1.84
Paid	1.00	......

‡After participation.

CONDENSED BALANCE SHEET

As at:	Jan. 1 1947	Dec. 28 1945
Cash & Dom. bds.	$193,547	$300,488
Accts. rec.	3,277,204	3,439,761
Inventories	5,530,345	6,087,790
Total curr. assets	9,160,896	9,788,039
Prepaid exps.§	216,338	194,383
Employ. pens. fund	330,437	348,189
Misc. invests.	210,490	212,703
Invests. in subs.	1,602,000	1,507,100
Fixed assets*	6,777,367	†7,082,398
Total assets	18,146,097	18,973,021
Bank loans	3,828,919	4,830,300
Accts. & tax., etc., pay.	1,900,145	1,650,419
Bonds pay.	150,000	150,000
Total curr. liab.	5,886,064	6,630,785
Funded debt	3,550,000	3,700,000
Capital stock	2,724,390	2,723,275
Capital surplus	4,275,880	a4,382,655
Earned surplus	1,710,832	1,417,906
*After depr. of	6,790,770	5,913,342

Conting. liab. — Bank loan guarantee, $50,000.

†As appraised Apr. 3, 1945. aIncl. surp. of $3,322,001 from reval. of fixed assets; also $1,022,782 reorg. profit and net profit from sale of fixed assets.

§Incl. in curr. assets in co.'s report.

Working capital (incl. prep. exp., as per trust deed)	3,439,960	3,282,608

HEVA GOLD MINES engineers have decided to proceed immediately with plant and mill construction pointing to production capacity of 300 tons a day. Contract has been signed with Northern Quebec Power Co. for completion of transmission line service and it is expected that delivery of power will be made by end of May. Shaft deepening will commence this month to open up another level at 525 ft. vertical depth. Lateral work on 275- and 400- ft. levels will continue during shaft-sinking program.

Stock Transfers

The merger of The London and Western Trusts Co with The Canada Trust Co. increases our facilities for giving PROMPT and EFFICIENT service to those whom we are privileged to serve.

The CANADA TRUST COMPANY
244 BAY ST.
TORONTO

See Capacity Work For Toronto Iron

A large volume of business is offering and Toronto Iron Works Ltd. is assured of capacity operations during 1947, limited only by ability to obtain raw material, President T. F. Rahilly tells shareholders.

Canadian steel plate is on an allotment basis and, as the United States is suffering from a similar shortage of steel plate, only small quantities can be obtained from that source, he says.

The general outlook for industrial activity continues to improve and the company expects soon to reflect the increasing prosperity in Canadian industry, Mr. Rahilly states.

The company's 1946 annual report has not been published as yet. Profit from operations for 1946 was substantially the same as for 1945 but, as a result of reduced taxation, net profit is in excess of 1945, Mr. Rahilly stated earlier this year. In 1945 the company earned $1.33 a class A share and $1.38 a common share including refundable excess profits tax and before taking the participating feature into consideration.

CANADIAN TAX FOUNDATION is now established at 83 St. Joseph St., Toronto, Ont.

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Many New Gold Mines Are Projected But Raising Finances a $64 Question

By GORDON M. GRANT

Want to buy a new gold mine cheap?

If you have $100,000 to $500,000 cash on hand, with which you can really afford to "gamble," you could probably "cut yourself in" on any one of the majority of newly-indicated mines on what might eventually prove a very profitable basis—if you were willing to sit back and wait.

So many new gold mines have been indicated, so many post-war difficulties have beset gold mining as an industry, that raising of the very substantial sums of money required to develop and, if warranted, place new mines in production, is proving anything but simple. Ordinarily discovery of a new gold mine finds a competition of interests willing to provide funds. In most cases, public provides funds through the market without undue difficulty.

Because there are a large number of new mines to be financed and the public is not participating to any extent in the stock market just now—possibly "scared off" by industry talk of "blue ruin" for Ottawa consumption—financing has become more difficult almost weekly.

Enough funds usually have been forthcoming and few operations showing really worth-while results have had to suspend work. But terms of new financing have been stiffer. There has been already a number of two-for-one share reorganizations—viz. Elder, Heva, New Marlon, Consolidated Beattie, Lake Wasa, etc. Further similar reorganizations are anticipated where authorized shares have been used up without required funds being secured. Some companies have been fortunate to arrange all needed financing for some time to come, perhaps even through to production, and they are thus not compelled to finance at a time of unfavorable conditions.

Hopes had been pinned in many instances on a return of a premium on gold sales or on a world increase in the price of gold. But neither of these developments have taken place—and neither may be close.

The combined effect of (a) a lower Canadian price for gold (b) an increase in wage costs of a third since pre-war and (c) a similar or greater increase in supply costs has unquestionably been a big barrier to financing new properties from not one but two angles: Money has been made more difficult to secure; and more money is needed.

But the ultimate chances for the new gold mining properties are perhaps better than the foregoing factors might suggest. Gold Mines—old ones and new ones—always do better in the depressions, major or minor, which follow booms. There appears to be no doubt that this is a "boom" as far as rising prices and costs are concerned. The question is how long it will last. Earnings reports for golds coming out for 1946 show that there has been no real recovery of earning power as yet by even established gold producers since the end of the war. Below are tabulated 1946 earnings for a number of representative producers, contrasted with recent record high earnings:

Company:	Earned 1946 A Share $	Earned Before A Share $	
Aunor	0.24	0.30	(1943)
Bralorne	0.16	1.49	(1939)
Dome Mines	1.05	2.06	(1940)
East Malartic	0.04	0.39	(1940)
Hallnor Mines	0.40	0.82	(1939)
Hollinger Cons.	0.35	1.18	(1940)
Kerr-Addison	0.29	0.52	(1941)
Macassa	0.12	0.41	(1940)
San Antonio	0.19	0.30	(1942)
Sigma Mines	0.45	0.72	(1939)

While the date when the present boom may spend itself is not clear, the upswing appears to have lost its upward aggressiveness at many points. With government debts large and inflation present in many countries of the world, there is always some possibility of an upward revision in the price of gold.

While expense of development of new gold mines is unquestionably going to be high on the basis of pre-war standards, initial operations of at least some of the new gold mines may turn out more profitable than anticipated. It may be two, even three years, before some are placed in production. By that time, the "turn" in the level of operating costs may have arrived.

Tax concessions granted the gold mining industry have been disparaged in some quarters as of little value. Prospective profits just now are on the lean side, and concessions such as the 3½-year exemption of new mines from tax, may be of little benefit now. But potential importance may be considerably greater. Not all feel that government policy has been niggardly in its assistance—and that gold mining has nothing to hope for in the future. The statement of President J. B. Lynch at the annual meeting of Siscoe Gold Mines gives the opposite view:

"Speaking for 13,000 shareholders of this company, I will say that we are grateful for the **liberal**—and I use the word deliberately—spirit which has been shown by the Government. Whether or not we can realize on the benefits now possible remains to be proved. But the opportunity is there. This policy of taxation for new mines would seem to be a far-sighted policy—it costs the Government nothing from present income—and will assuredly pay Canada real dividends at a future date."

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

BRALORNE MINES realized a profit of only 16c. a share in 1946 as the mill was closed nearly five months by a strike. However, working capital and ore reserves showed only minor decreases.

"Profit is increasing although the crew is still far below the pre-war normal," Consulting Engineer Ira B. Joralemon reports. An effort is being made to offset reduction in the price of gold and higher wage and supply costs by greater mechanization and efficiency.

The mine is stated to be in good shape to supply the mill with a capacity tonnage as quickly as the underground crew can be built up and living quarters provided for additional men. At the 16th level, important new ore was reported opened in veins of the Empire fault averaging 0.54 oz. gold.

An interest is held in Braminco Mines which is exploring an indicated ore shoot in Ontario; and plans are being made for exploration of holdings in the Yalakon River area this season.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Bullion concent.	$1,210,226	$2,172,669
Less: Oper. exps.	659,132	1,003,355
Oper. profit	551,094	1,169,314
Add: Other inc.	12,813	5,808
Gross profit	563,907	1,175,122
Less: Adm. exp.	60,547	71,250
Shutdown exp.	93,363	......
Outside expl.	25,516	......
Depreciation	78,000	35,000
Taxes res.	109,331	310,183
Net profit	197,148	758,689
Less: Divds.	249,400	1,122,300
Deficit for year	52,252	363,611
Earnings per Share	$0.16	$0.61
Paid	0.20	0.90

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash, bull. & conc.	$527,540	$689,742
Govt. bonds	......	200,000
Accts. rec.	6,135	15,373
Inventories	185,810	183,862
Total curr. assets	719,485	1,088,977
Def. charges‡	21,131	13,488
Outside explor.	1	1
Invest. & adv. subs.†	245,681	83,760
Props. & dev.●	771,936	769,461
Plant & equip.▲	373,391	419,304
Total assets	2,131,624	2,374,991
Accts., etc., pay.	93,953	352,994
Tax reserve	46,310	125,793
Total curr. liab.	140,263	478,787
Def. liab.	147,408	
Capital stock	1,700,750	1,700,750
Surplus	143,203	195,454
†After res. of	51,425	
‡Incl. in curr. assets in co.'s report.		
▲After depr. of	1,299,114	1,230,350
●After depl. of	1,468,026	1,468,026
Working capital	579,222	610,190

OPERATING STATISTICS

	1946	1945
Tons milled	64,534	105,283
Average recov.	$18.75	$20.64
Ore reserves, tons	1,070,000	1,088,000
Grade	$17.85	$17.61

INSPIRATION MINING & DEVELOPMENT realized increased earnings in 1946 although footage drilled showed a 2.3% decline at 409,529 ft. Investment portfolio showed a market value shrinkage, as noted below; $907,457 of investments as at Dec. 31, 1946, included $723,553 invested in producing mines including East Malartic Mines, Hollinger Consolidated, Lake Shore, Malartic Gold Fields, Macassa, New Calumet, Perron and Sladen Malartic. Substantial interests are also reported held in Vicour Mines and Croinor Pershing.

Exploration continued in 1946 with favorable preliminary drilling results on ground in Vauquelin twp., Que. Garrison twp. results were inconclusive. Nine groups of claims were secured.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Oper. income	$168,915	$148,449
Less: Oper. exps.	64,211	63,304
Net oper. revenue	104,704	85,145
Add: Other income	162,673	173,230
Net earnings	267,377	258,375
Less: Explor. exps.▲	46,049	16,860
Depreciation	23,078	11,197
Income taxes▲	57,000	117,000
Net profit	141,250	113,318
Less: Dividends	......	80,000
Surplus for year	141,250	33,318
▲Incl. ref. EPT	......	17,196
Earnings per Share		
Excl. ref. EPT	$0.071	$0.057
Incl. ref. EPT	0.071	0.065
Paid	nil	0.04

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash	......	$116,758
Accts., etc rec.	$92,455	99,012
Invests., quoted*	907,457	1,044,937
Unquoted	192,407	90,072
Inventories	339,699	235,487
Total curr. assets	1,532,018	1,586,266
Prepaid chgs., etc.▲	27,517	26,043
Invs. & advs. to cos.	238,090	145,837
Timber interests	13,639	14,410
Mach. equip.†	101,408	56,634
Cls., options, etc.	819,699	708,893
Total assets	2,732,371	2,538,083
Bank overdraft	136,441	......
Accts. & tax. pay.	183,530	203,764
Other curr. liab.	21,166	64,334
Total curr. liab.	321,137	268,098
Capital stock	2,000,000	2,000,000
Surplus▲	411,234	269,985
†After depr. of	146,518	126,510
*Approx. mkt. val.	1,129,562	1,720,000
▲Inc. ref. EPT	17,196	17,196
Working capital	1,210,881	1,318,168

NORANDA MINES earnings dropped to $2.81 a share in 1946 from $4.02 in 1945, due to labor shortage, loss of the 10% exchange premium on gold and other products, and the strike which ran from November to Feb. 9, 1947.

This resulted in the declaration of a 50c. dividend on Mar. 15, 1947. Previously a $4 annual rate, payable quarterly, had been maintained for nine years.

Domestic price of copper was increased from 11½ to 16⅝ cents a pound in January, 1947, it is noted, this price comparing with a world price of 22½ cents a pound.

Noranda Copper & Brass has been formed to take over the former Canada Strip Mill from War Assets Corp. for $1,372,000. Bridgeport Brass Co. of Bridgeport, Conn., is associated with Noranda in the project and a large expenditure is planned to convert the plant to commercial brass and copper production. Bridgeport is to manage operations.

From Jan. 1 to Nov. 21, 1946, the smelter treated 752,518 tons of ore, concentrate, slag and scrap shell cases, including 250,226 tons of ore, concentrate and scrap for others. Of 70,378,097 lb. of copper, 198,660 oz. of gold and 823,171 oz. of silver recovered, Horne mine ore accounted for 27,525,548 lb. of copper, 155,197 oz. of gold and 317,997 oz. of silver. The concentrator treated 562,034 tons from the Horne mine. Production was resumed Feb. 28, 1947, after the strike.

Ore reserves were 718,000 tons lower as at Dec. 31, 1946, amounting to 4,960,000 tons averaging 7.14% copper and 0.159 oz. gold, 14,692,000 tons averaging 0.67% copper and 0.196 oz. gold and 838,000 tons of fluxing ore averaging 0.11% copper and 0.108 oz. gold. Development work both at surface and underground was not as extensive as desired.

Canadian Copper Refiners, a subsidiary, is placing a new product tribasic sulphate on the market in 1947. Cia Minera La India profit was $194,000 against $195,000 for 1945. Numerous new commitments in new projects are reported including: Midcamp Mines; minor interests in Highland-Bell, Brown McDade; Cariboo Gold Quartz, Williams Creek.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Total income	$13,277,635	$17,724,035
Less: Oper. exp.	4,701,817	5,470,823
Net earnings	8,575,818	12,253,212
Less: Deprec.	410,767	429,157
Res. for taxes	1,776,561	2,775,040
Explor. w/o	101,206	48,880
Net profit	6,287,284	9,000,135
Less: Divds.	8,959,088	8,959,088
Deficit for year	2,671,804	*41,047
*Surplus.		
Earnings per Share	$2.81	$4.02
Paid	4.00	4.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash	$2,353,700	$3,776,083
Call loans	41,550	42,550
Accts. rec.	199,414	412,835
Bds. & stks.*	11,581,991	13,693,635
Smelt. & refin. tolls	311,453	493,658
Ref. settlements	4,303,919	3,592,540
Supplies‡	975,091	1,145,373
Total curr. assets	19,767,118	23,156,674
Mtge. loans	213,880	119,898
Chgs. to oper.	113,170	97,812
Ref. EPT	93,130	
Prosp. & expl.	168,407	147,410
Inv. in sub.	11,346,110	11,767,665
Inv. in affil. & other cos.	5,856,191	4,982,737
Adv. to sub. & affil. cos.	281,582	144,678
Mng. clms.	919,779	919,779
Plant & equip.	14,484,475	14,481,341
Hotel, etc.	1,733,066	1,457,533
Town of Noranda	271,100	280,200
Less: Deprec.	14,995,612	14,581,986
Total assets	40,252,396	42,973,741
Accts. & tax. pay.	1,946,217	2,076,857
Customs ore pay.	887,424	1,585,865
Unclaimed divds.	308,229	393,540
Total curr. liab.	3,141,870	4,056,262
Invest. & cont. res.	4,904,715	4,434,864
Capital stock	11,303,140	11,303,140
Surplus▲	20,902,671	23,179,475
*Market value	12,397,200	14,723,163
▲Incl. ref. EPT	93,130	......
‡Incl. in deferred assets in co.'s report.		
Working capital	16,625,248	19,100,412

EAST MALARTIC MINES has completed its new 5-compartment shaft to 1,996 ft. in 1946, and expects to have new headworks completed before the end of 1947, permitting use of this shaft.

Reflecting heavy expenditures on the new shaft and plant and on residences under construction, working capital was nearly $600,000 lower at $1.2 millions. Additional capital expenditure to complete the projected program is $600,000.

A program of diamond drilling from the 10th level east has indicated extensive low grade porphyry zones which, when explored on several horizons, may add substantial tonnages of low grade ore to reserves, it is stated. The mine was still short 100 men at the end of 1946.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Production	$1,612,916	$1,538,500
Add: Other income	77,392	39,431
Total income	1,690,308	1,577,931
Less: Oper. exps.	1,276,716	1,254,858
Oper. profit	413,592	323,073
Less: Def. devel.	24,966	86,924
Depreciation	209,506	203,679
Res. for taxes	14,450	6,534
Net prof. & surp.	164,670	25,936
Earnings per Share	$0.04	$0.006
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & bullion	$913,530	$368,355
Invests. (cost)	......	1,048,500
Accts., etc., rec.	5,638	69,572
Stores	431,000	404,568
Total curr. assets	1,350,168	1,890,995
Prep. & def. chgs.	45,164	35,109
Def. develop.	595,913	304,911
Real estate	94,006	700
Shaft plant constr.	597,552	115,751
Mining claims	179,617	179,617
Plant & equip.▲	738,978	856,841
Total assets	3,601,398	3,383,924
Accts., etc., pay.	153,501	108,736
Taxes payable	14,740	6,701
Total curr. liab.	168,241	115,437
Capital stock	1,800,008	1,800,008
Earned surplus	1,633,149	1,468,479
▲After depr. of	1,408,191	1,210,860
Working capital	1,181,927	1,775,558

OPERATING STATISTICS

	1946	1945
Tons milled	307,461	304,890
Average recovery	$5.25	$5.05
Ore reserves, tons	2,386,000	2,665,813
Grade	$7.00	$7.06

CENTRAL PATRICIA GOLD MINES experienced declines in earnings and ore reserves in 1946 with the labor shortage acute and the internal shaft deepened for two levels at 2,800 and 2,950 ft. It is expected that ore reserves will be substantially increased when new levels are opened early in 1947, President F. M. Connell reports. Shaft sinking is to be continued to a depth of 3,400 ft.

Surface exploration, including surface diamond drilling of favorable areas, has been resumed on the company's main property, and holdings have been extended to the north by staking an area considered to warrant close prospecting. Deeper drilling on the property of Frond Lake Mining Co. had not been so favorable and further work is necessary before making a shaft decision.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Production	$1,205,651	$1,071,246
Less: Bullion exp.	13,098	13,182
Net production	1,192,553	1,058,064
Less: Oper. exps.	821,960	608,319
Oper. profit	370,593	449,745
Add: Other income	26,574	21,585
Net earnings	397,167	471,330
Less: Deprec.	80,973	99,077
Tax reserve	88,000	105,025
Outside explor.	5,121	1,464
Net profit	223,073	265,764
Less: Dividends	275,000	300,000
Deficit for year	51,927	34,236
Earnings per share	$0.09	$0.11
Paid	0.11	0.12

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & bullion	$186,778	$264,657
Accts. rec.	18,452	16,315
Mkt. secs. & int.*	744,694	992,429
Mat. & supplies	406,674	308,775
Total curr. assets	1,356,598	1,582,186
Mining co. shs.	42,355	34,763
Bds. with H.E.P.C.‡	24,312	24,313
Prep. & def. chgs.‡	12,645	4,557
Mtge. receivable	3,112	3,917
St. Joseph Trans. Co.	38,806	18,305
Claims & props.	591,268	591,268
Exp., outside cls.	31,422	22,556
Disc. on shs.	1,234,300	1,234,300
Plant & equip.†	358,379	254,155
Total assets	3,693,197	3,770,320
Accts. pay.	57,535	53,955
Taxes & div. pay.	107,351	136,127
Total curr. liab.	164,886	190,082
Capital stock	2,500,000	2,500,000
Surplus	1,028,311	1,080,238
†After depr. of	1,282,821	1,206,819
*Market value	979,467	1,186,069
‡Items included in curr. assets in co's. report.		
Working capital	1,191,712	1,392,104

OPERATING STATISTICS

	1946	1945
Tons milled	97,808	89,301
Average recovery	$12.33	$12.00
Ore reserves, tons	340,786	415,661
Grade	$11.90	$11.90

MALARTIC GOLD FIELDS experienced a $66,379 net loss in 1946 but rehabilitation work to No. 1 shaft and No. 1 mine plant were charged to operations and sufficient work was completed to permit an increase of over a million tons in estimated reserve of developed and indicated ore.

A new 1,500-ton mill is being completed at No. 2 shaft to replace the present 750-ton unit. Over-all cost is estimated at $1.8 millions, of which $443,000 had been spent to the end of 1946. Working capital at year-end was slightly over $300,000.

Total reserves of 3,610,000 tons at the end of 1946 included 1,960,000 tons of ore averaging $6.45 a ton. At least two-thirds of production for the new mill is expected to come from No. 2 shaft where the great bulk of ore reserves is located.

A total of 1,000 ft. of drifting was completed on the drive between Nos. 1 and 2 shaft at the 1,800-ft. level with diamond drilling showing a fairly large low-grade ore body, it is stated.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Bullion prod.	$1,395,979	$1,234,687
Add: Other income	31,286	27,508
Total income	1,427,265	1,262,195
Less: Oper. exps.	1,289,846	1,130,494
Oper. profit	137,419	131,701
Less: Deprec.	131,109	127,562
Dev. w/o	72,689	98,829
Net loss & deficit	66,379	94,690
Earnings per Share	d$0.017	d$0.024
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & bullion	$305,370	$237,955
Investments	2	304,552
Accts. rec.	6,475	28,417
Supplies	369,786	254,207
Total curr. assets	681,633	825,131
Prep. & def. chgs.	22,746	11,365
Def. devel.	......	43,566
Note receivable	13,639	14,411
Claims & props.	631,790	602,346
Plant & equip.▲	1,048,418	680,858
Total assets	2,398,226	2,177,677
Bank loan	225,000	......
Accts., etc., payable	155,403	93,475
Tax provisions	......	......
Total curr. liab.	380,403	93,475
Capital stock	1,101,512	1,101,512
Surplus	916,311	982,690
▲After depr. of	748,989	622,003
Working capital	301,230	731,656

OPERATING STATISTICS

	1946	1945
Tons milled	208,354	187,315
Average recov.	$6.70	$6.50
Ore reserves, tons	3,610,000	2,600,380

Norbenite Shaft Now Completed

Sinking of the shaft to a depth of 540 ft. has been completed at Norbenite Malartic Mines with stations cut at 125, 250, 275 and 500 ft., Secretary-treasurer S. A. Perry informs The Financial Post.

Crosscutting has begun on the 250-ft. level with about 25 ft. needed to reach the ore zone and 100 ft. of drifting along the zone required to reach the first good drill hole, No. 52 which returned 0.158 oz. over 21 ft. at a vertical depth of about 350 ft.

It is said possible that good gold values will be encountered before the 100-ft. of drifting is completed as values in shaft were considerably better than indicated by drilling.

Work is also to be started at the 500-ft. horizon to open up the ore there.

Siscoe's Mine Life Extended

Two New Operations Now On Producing Basis, Meet Hears

Hopes for an additional two years of life for the Siscoe mine were voiced by President J. B. Lynch of Siscoe Gold Mines at the company's annual meeting. Recent developments, particularly since the annual report was written in February, have brought a decided change in the previous view of impending ore exhaustion, it was stated.

Narrow but rich ore has been opened in the Hope vein, where samples for a length of 150 ft. in 634 drift are reported to have averaged $16.50 cut value over 12.1 in. after cutting all "highs" to $85. More ore than expected is being found in other places in the vein and there are also ore chances in the 914 area and the hangingwall of the main zone, it is stated.

Over $1 Million on Hand

Working capital remains above $1 million after placing silver and mica mines in production, it was stated. Both were acquired outright by purchase.

The silver mine, operated by Siscoe Metals, is the former Miller Lake-O'Brien in Gowganda. "Should the price of silver remain above 70 cents an ounce, we can hope to recover the substantial capital risked on this venture in a reasonable period," Mr. Lynch stated. Turning over of the mill started Jan. 19 and March production is reported at 76 tons a day at 13 ounces. Recovery has improved to 87%. Costs are estimated at $7.15 a ton. Ore reserves total over 30,000 tons averaging 20 oz. silver excluding some 3,000 tons in pillars averaging 40 oz.

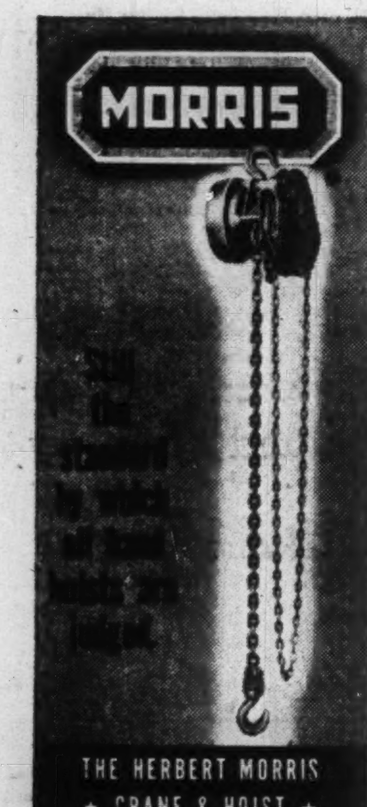
Diamond drilling indicates extensions of present known ore resources. The Suzorite mica operation was secured knowing reserves were very large. Possible success depends on creation of new markets for a mineral possessing some unique and valuable characteristics, it is stated.

Each of these operations can benefit from the 3½-year exemption of new mining operations from taxation, it is stated, and the Siscoe mine is expected to enjoy freedom from tax as a marginal producer.

Baker Lake Drilling To Test Eldon Lake

Baker Lake Explorations announces a contract has been awarded to Parmac Diamond Drilling Co. for drilling its main Lynn Lake property of 81 claims. A geophysical survey party is already on the ground.

Preliminary prospecting has indicated probability of an anomaly under Eldon Lake because of magnetic deflections obtained on the shore. First task of geophysical party is to verify existence and location of this anomaly and drill immediately through the ice before break-up. Balance of the property will be surveyed when drilling starts on Eldon Lake.



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138.5 mph		(@ 400 bhp @ 2200 rpm @ 5000'	137 mph
128.5 mph		(@ 300 bhp @ 2000 rpm @ 10,000'	125 mph
119.5 mph	Cruising Speed	(@ 280 bhp @ 2000 rpm @ 5000'	116 mph
116.5 m.p.h.		(@ 280 bhp @ 2000 rpm @ 2000'	113 mph
65 mph	Stalling Speed	(Flaps 0°	67 mph
58 mph		(Flaps 30°	59.5 mph
2300 Ft.	Take-Off Distance	(30° flaps, glassy water, no wind)	3100 Ft.
775'/min.	Initial Rate of Climb	(@ 450 bhp @ Sea Level)	675'/min.
19 min	Time to Climb to 10,000'	(@ 400 bhp)	21 min.
15,500 Ft.	Service Ceiling		14,400 Ft.

The above values are true (not indicated) and are corrected to I.C.A.N. Temperature conditions.

* SB3 Engine	(Take-off	bhp 450 (3 min.)	Or SB5 Engine (Take-off	bhp 450
	(Normal Rated	bhp 400	(Normal Rated	" 450
	(Max. Cruise	bhp 300	(Max. Cruise	bhp 300

FAIRCHILD AIRCRAFT LIMITED - LONGUEUIL, QUE.

U.S. Short of Copper, Iron and Lead Moves But Slowly Into World Marts

That the United States may henceforth continue short of such things as copper, high grade iron ore, lead, and zinc, is becoming gradually better appreciated as "a strong probability" in the United States.

But translation of existing shortages into new foreign buying policies which might benefit Canada is still developing at only a snail's pace. Suggestion of even temporary suspension of metal tariffs seems to arouse a whirlwind of opposition there—no matter what the situation.

Action Delayed In Senate

Copper continues critically short in the United States and the copper shortage has already come close to threatening the fabric of activity in the electric equipment and automotive industries there. But the suggested two-year suspension of a four-cent tariff on copper has become "stalled" in the U. S. Senate. Latest word is that the suspension may be shortened to 18 months by the Senate even though it has been pointed out that the United Kingdom, France and Belgium are already taking bulk of the world's exportable copper surplus on a contract basis and that foreign copper sellers are not likely to be interested in selling in a "short-term" market.

Export copper at New York is now selling at 22.75-23.00 cents a lb., freight assumed by the seller, making a price of about 27c. lb. for the U. S. consumer after absorbing the four-cent tariff. The U. S. national stockpile of 600,000 tons of copper as at Jan. 1, 1946, has all but disappeared (well below 40,000 tons now). Since the United Kingdom is stated to have revised its estimated demand figures upwards, even present high copper prices may be dwarfed in months ahead.

U. S. Iron Situation Serious

Within the last month, renewed attention has been paid to the fact that U. S. resources of high grade iron ore are far from inexhaustible and that something will have to be done about the supply situation within a measurable space of time.

At the 75th annual meeting of the American Institute of Mining & Metallurgy, C. M. White, president of Republic Steel Corp. stated that the problem was a very critical one. Briefs from Mr. White's speech highlight the present situation:

"The American steel industry . . . faces dire shortages of actual iron ore within a period too short to be comfortable."

"It is unlikely any great new deposits of high grade ore will be uncovered in either the United States or Western Europe.

"The known supply of actual ore is being exhausted more rapidly in the United States than in the rest of the world."

"Whether the decline in production from the commercial reserves of Lake Superior ore becomes material in five or ten years or not until later, the period is too short to permit a passive course."

If the United States fails to build concentrating plants for utilization of lower grade ores known to exist, a migration of the steel-making industry to the Atlantic seaboard was seen a likelihood so that imported ores could more readiy be used.

Continued decline in U. S. reserves of high grade iron ore—and the gradually increasing price—are of interest to Canada and Labrador.

It is possible that increasing production by Steep Rock Iron Mines might fill 5% of the U. S. demand for high grade iron ore for a long period of years. A much more prolific source of iron ore, of course, might be the extensive high grade iron ore deposits known to exist in Labrador (Labrador Mining & Exploration Co.) and in New Quebec (Hollinger North Shore Exploration Co.). A 350-mile railroad is proposed to the Gulf and it was recently stated that 100 million tons of ore may be indicated before the end of this season. This would only be a beginning for the area of deposits so far outlined in limited exploration.

U. S. authorities are concerned with development of new sources of iron—even at high costs—but close in deposits of high grade ore in British North America will probably be sought more than ever, it appears.

Lead Supply Not Enough

Despite improvement in the lead supply in the United States, overall demand is still far in excess of supply.

The United Kingdom within the last week increased its home price to 16.17c. lb. In the U. S. the hope is expressed that the line can be held at 15c. lb.

Total U. S. stocks of slab zinc dropped nearly 100,000 tons to 176,220 tons in 1946 even though imports of slab zinc were the greatest in the history of the U. S. industry. For the moment, the zinc producers are watching with sharp interest efforts being made to increase the U. S. copper supply. If arrangements are made for more copper, more zinc is going to be needed for brass-making purposes.

There are tariffs of 1½ and 1.2c. lb. against lead and zinc imported into the United States. If the suspension of the copper tariff secures approval, an assault may be launched on the other two tariffs, it is expected.

Much depends on the continuing level of industrial activity in the United states as far as the U. S. metal shortage is concerned. But if it continues at present levels, the United States may be driven into purchasing nonferrous metals and iron ore on an unprecedented peacetime scale.

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OIL PRODUCTION

Turner Net Up Close To 28%

From Our Own Correspondent

CALGARY — To indicate what the two 1947 oil price boosts mean to the Turner Valley producer, investors in producing companies, and owners of royalties (including the Alberta Government), The Financial Post provides the following summary:

On Jan. 15, oil price was raised 50c. a barrel; on April 1, another 35 cents. On basis of "guesstimated" oil production for the next year (about five million barrels), gross revenue for the year at average of $3.00 per barrel would be about $15 millions. Of this total return, the 50c. January boost would represent about $2.5 millions, the 35c. April 1 boost a further $1,750,000 —a total jump of about 28%.

New Taber Well Clicks

Standard Oil of B. C. on its first 1947 follow-up well in the West Taber oil area, southeast Alberta plains, has clicked with a flowing oilwell which appears likely to rate among the best producers yet completed in the Taber area. The new success is Taber-Province No. 63-15A, one-quarter of a mile south of No. 65-15A, the field's best well, completed in April of 1946.

No estimates of potential at No. 63-15A are yet possible, but some indication of possibilities is given by comparison with the No. 65-15A. That well completed at 3,200 ft. filled pipe in 30 minutes on drill-stem test. After setting casing, the well was placed on flow test. On initial 24 hours, flowing through quarter inch choke, it made 250 bbls. of 23.7 API oil.

• • •

Gas Find at Berry Creek

Berry Creek Petroleum has made a natural gas discovery in the Madison limestone at its Berry Creek No. 1 wildcat at Hanna. Open flow test on March 31, gave a pilot tube reading of 1.4 million cu. ft. per day, the gas showing some evidence of condensate, but no sign of formation water. During the last week the well was continuing flow tests, with acidizing slated. The well is bottomed at 4,285 ft. Madison lime was topped at 3,675 ft. with porosity and evidence of gas starting at 3,688 ft. the well entered Three Forks at 4,020 ft. and Anhydrite at 4,050 ft. It is planned, after fully testing the Madison gas, to deepen into the Devonian dolomite.

• • •

Activity Near Leduc

Leduc-West Oils Ltd. and Globe Oil Co. have joined in the purchase of a lease covering 160 acres of freehold oil and gas rights, two miles north of the Imperial-Leduc No. 1 discovery, and a mile northwest of the drilling Imperial-Leduc No. 3 well.

Leduc-West and Globe already each own a quarter section — Leduc-West, the SW. quarter of section 19; Globe, the SW. quarter of section 5 — in the township of the discovery. Price paid for the new acquisition has not been announced.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

HUDSON BAY MINING & SMELTING experienced a sharp upswing of profits in 1946, highlights of the year's operations being as follows:

Earnings of $8,855,079 or $3.21 a share as against $2.14 (including refundable tax) the previous year.

An increase in value of recovered metals from $12.50 in 1945 to $15.63 in 1946, reflecting higher prevailing metal prices.

A stepup in major development and exploration work with labor supply becoming adequate for first time in several years.

Demonstration by pilot plant operation that a process for treatment of 650,000 tons of accumulated zinc residues (not carried in balance sheet) is "economically sound" with tests continued for further improvement.

Placing of orders for equipment for a sixth 19,000 h.p. unit at the hydro-electric power development at Island Falls.

A total of 1,837,472 tons of ore milled during the year represented an increase of approximately 15,000 tons. Production of refined metals comprised: copper—79,584,967 lb.; zinc—102,656,828 lb.; gold—141,486 oz.; and silver—1,823,210 oz.

Good relations with employees are stated to have continued, an increase of 10c. an hour in wages being granted last June. Differential pay was also provided.

No details are given of values secured in underground exploration, but drifting and crosscutting were done in the vicinity of the main shaft on the 3,000, 3,250, 3,500 and 3,750-ft. levels. The south main shaft was extended to the 4,000-ft. level.

Diamond drilling is to be carried out this year on two discoveries made by prospectors in 1946. Drilling was continuing on two optioned properties at the end of 1946. No ore body was established by work on a Yukon property. Development is to be continued at Cyprus Mines where a shaft has been sunk 615 ft. with levels at 100, 250, 400, 500 and 600 ft.

CONSOL. INCOME ACCOUNT

Yrs. End. Dec. 31:	1946 $	1945 $
Total revenue	29,275,256	23,390,998
Less: Freight, etc.	2,356,630	2,024,264
Oper. costs, etc.	11,493,257	9,700,786
Operating profit	15,425,369	11,665,948
Less: Deprec.	904,834	893,260
Deplet.	295,456	291,677
Inc. taxes*	5,370,000	5,240,000
Net profit	8,855,079	♦5,241,011
Less: Dividends	6,205,439	5,515,946
Surplus for year	2,649,640	†274,935
*Incl. ref. EPT	....	656,833

†Deficit.
♦Note:—Co.'s report includes ref. EPT in net profit and surplus for year.

Earnings per Share and Dividend Record:

Earned:		
Excl. ref. EPT	$3.21	$1.90
Incl. ref. EPT	3.21	2.14
Paid	2.25	2.00

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1946 $	1945 $
Cash & metals sold	18,996,345	12,623,444
Govt. certif. (non-int.)	5,300,000	5,300,000
Accts. rec.	225,673	395,799
Govt. bonds*	3,008,750	4,513,125
Metals in process & supplies	2,390,821	2,937,595
Total curr. assets	29,921,589	25,769,963
Def. chgs., etc.♦	3,103,020	2,813,016
Claims & props.	9,420,131	9,382,626
Plant & equip.	31,087,254	30,724,229
Total assets	73,531,994	68,689,834
Accts. & tax. pay.	5,255,772	4,460,561
Other curr. liab.	177,074	152,419
Total curr. liab.	5,432,846	4,612,980
Deprec. res.	18,687,412	17,782,577
Depl. res.	5,400,068	5,104,612
Conting. res.	424,858	424,858
Mine devel. res.	1,397,089	1,224,725
Common stock	30,984,205	30,984,205
Surplus♦	11,205,516	8,555,877
*Market value	3,021,000	4,504,500
♦Incl. ref. EPT	1,680,957	1,680,957
Working capital	24,488,743	21,156,983

OPERATING STATISTICS

	1946	1945
Tons milled	1,837,472	1,822,628
Average recov.	$15.63	$12.50

DOME MINES increased bullion production from 126,677 to 147,649 oz. in 1946, but due to return of Canadian dollar to parity, increase in value was only about $550,000. Operating expenses were up sharply and there was an increase of $150,000 for exploration written off so that net profit was approximately $250,000 lower at $2,051,728 or $1.05 a share.

A change is made in balance sheet presentation to show securities at cost rather than at market, with a reserve for contingencies to offset the excess of market over cost.

During 1946, Dome was able to mine profitably 141,700 tons of caved material, drawn from stopes which records previously had been shown as drawn empty.

A 41.5% increase in development footage occurred and work was finally resumed from No. 6 internal shaft. Satisfactory progress is reported being made in development and maintenance.

Decrease in working capital is due in part to the changed method of presenting accounts and to active outside exploration resulting in increase in investment in and advances to subsidiaries.

J. G. McCrea, general manager of Dome Exploration (Canada), a wholly owned subsidiary, reports encouraging results were secured at Campbell Red Lake and to a lesser extent at Newfield Mines operating in the Lightning River area, Ont. Further work is planned at a later date on Dexter Red Lake and some encouragement was encountered in testing various Louvicourt properties.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Bullion prod.	$5,448,935	$4,887,263
Less: Oper. exps.	3,006,143	2,456,007
Oper. earns.	2,442,792	2,431,256
Add: Other inc. (net)	632,445	752,407
Net earnings	3,075,237	3,183,663
Less: Tax res.	771,000	797,984
Depreciation	45,196	29,784
Outside expl. w/o	207,313	56,321
Net profit	2,051,728	2,299,564
Less: Dividends	2,238,068	2,336,002
Deficit for year	186,940	36,438*
Earned per Share	$1.05	$1.18
Paid‡	1.15	1.20

‡Dividend payable in Jan. of following year included in appropriations.

CONDENSED BALANCE SHEET
(Canadian funds)

As at Dec. 31:	1946	1945
Cash and bullion	$615,632	$706,237
Accts., etc., rec.	254,700	377,500
Govt. & oth. bonds	‡4,227,022	*6,088,105
Shareholdings	♦2,612,405	*5,045,272
Supplies	585,025	416,659
Total curr. assets	8,294,784	12,633,773
Prep. & def. chgs.	66,255	76,680
Invest. in subs., etc.	1,941,764	1,060,130
Mng. cls., props.	6,308,043	6,325,042
Plant & equip.†	188,738	55,589
Total assets	16,799,584	20,151,314
Accts. & tax. pay.	477,446	397,706
Demand loan pay.	....	165,000
Other liab.	904,789	913,943
Total curr. liab.	1,382,235	1,476,649
Reserves	5,311,967	8,382,243
Capital stock	7,000,000	7,000,000
Surplus	3,105,382	3,292,322
†After depr. of	3,574,414	3,569,073

*At market value. ‡Cost; market value $4,125,372.
♦Market value $4,195,921.

Working capital**	6,912,549	11,157,194

**Includes investments at cost in 1946 and market value in 1945; taking investments at market value in 1946 working capital totalled $8,394,415.

OPERATING STATISTICS

	1946	1945
Tons milled	573,400	527,100
Average recov.	$9.50	$9.27
Ore reserves, tons	2,496,000	2,412,000

WAITE AMULET MINES realized consolidated earnings of 72.9c. a share in 1946 against 70.8c. in 1945, although tonnage of ore treated (427,400) dropped approximately 90,000 tons.

Ore reserves at the end of 1946 were approximately five years' supply at the 1946 production rate or about 3¼ years' supply at capacity. Bulk of ore reserves—1,865,000 tons—is contained in the Lower "A" ore body and averages 6.0% copper, 4.01% zinc, 0.045 oz. gold and 1.5 oz. silver, higher in copper and lower in zinc than the 1946 average of mill feed grades.

Mining of the main pillar in the Lower "A" ore body started in July and it is expected that this operation will continue to the end of 1947 with the result that copper production should improve materially. Waite ships zinc concentrates to the United States and gets the prevailing price for zinc there. Wages were increased 10c. and 3c. an hour in May and November, 1946, respectively.

Exploratory drilling is continuing but so far has not produced important results.

Special tax reserve of $475,000 set up with respect to 1940 taxes, continues to be shown in the balance sheet, but a March hearing was scheduled for determination of a 1940 standard profits base.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Metal recov.‡	$1,379,405	$1,944,112
Less: Oper. costs	829,014	1,304,390
Net earnings	550,391	639,722
Less: Deprec.	48,827	55,335
Tax prov.	161,226	184,573
Legal fees	1,783	2,866
Directors' fees	7,000	7,000
Add: Subs. divd.	1,980,000	1,980,000
Net profit	2,311,555	2,369,949
Less: Dividends	2,310,000	2,475,000
Surplus for year	1,555	a105,651

‡Including miscellaneous income.
aDeficit.

Earnings per Share:

Excl. ref. EPT	$0.70	$0.72
Incl. ref. EPT	0.70	0.72
Paid	0.70	0.75

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash	$669,518	$706,804
Bonds & shares*	3,318,351	3,318,351
Accts. rec.	88,734	79,049
Metal due & in hand	348,381	845,151
Stores‡	444,904	380,906
Total curr. assets	7,365,775	[illegible]
Prep. & def. chgs.♦	146,049	146,351
Mining props.	312,764	312,764
Plant & equip.†	626,814	683,344
Total assets	[illegible]	[illegible]
Accts., tax., etc., pay.	281,000	250,898
Am. Dufault Mines	509,350	496,387
Total curr. liab.	[illegible]	747,093
Conting. res.	94,062	94,062
Tax reserve	475,000	475,000
Capital stock	3,506,374	3,506,374
Earned surplus♦	3,685,016	3,683,461
*Market value	5,438,125	5,324,787
♦Incl. ref. EPT	115,000	115,000
†After depr. of	1,890,364	1,853,448

Incl. in deferred assets in co's report.

Working capital	6,474,855	6,315,858

OPERATING STATISTICS

	1946	1945
Tons milled	427,400	517,213
Aver. content:		
Copper, %	4.56	3.79
Zinc, %	5.37	5.64
Gold, oz.	0.046	0.032
Silver, oz.	1.17	1.55
Ore reserves, tons:		
Waite mine	90,000	173,900
Amulet Dufault	1,997,728	2,344,802

INTERNATIONAL MINING CORP. experienced a net loss of $221,585 in 1946 after heavy write-offs and including a $406,776 profit on securities sold in income. Net asset value $8.61 a share as at Dec. 31, 1946, a decrease of $1.27, reflecting a decrease of $403,200 in net unrealized appreciation and the net loss stated.

Through International Mining Corp. (Canada), company was active in Canada and received 625,000-share vendor interests in both Nicoba Mines and Lynwatin Nickel-Copper. As at Dec. 31, 1946, 190,528 shares were held in Bevcourt Gold Mines, together with options; 213,000 shares were held in Obaskia Lake Mines; and a 60% interest was reported in the "Oxide option," British Columbia.

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CHARLES McNELLEN, in the years 1920 to 1924 was driving a truck for a Toronto electrotyping firm. During this time he studied the business and was appointed as salesman for the same company from the latter part of 1924 until April, 1931. His enthusiasm inspired other men who agreed to assist him in the founding of his own business. Today he is President of "Bomac"—one of the largest electrotyping and engraving companies in Canada.

MR. McNELLEN says, "*Canada has been good to me. She will prove the same to those young Canadians who are ready to take advantage of the vastly increased opportunities she offers today. Here, within our own country, in every field of endeavour, successful careers await the talented and ambitious.*"

For years pulp and paper ranked as Canada's most important peacetime industry—judged by wages paid, production value and exports. It is greater than ever today—with a 48% increase in employment over 1939.

Spurred by war demands, Canada became the fourth steel producer of the United Nations and manufacture of iron and steel products became the industry employing most Canadians. Today there are more than twice as many of us engaged in this industry as before the war.

The textile industry is our other great manufacturing employer. It, too, tremendously increased its output to meet war needs. Today in it, too, far greater numbers of Canadians are employed than in 1939.

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